



# INTEGRATED REPORT

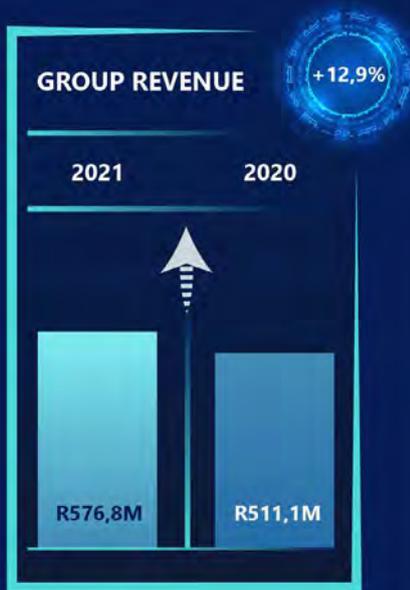
FOR THE YEAR ENDED 31 DECEMBER

# 2021

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# GROUP PERFORMANCE HIGHLIGHTS



(ZAR MILLIONS)



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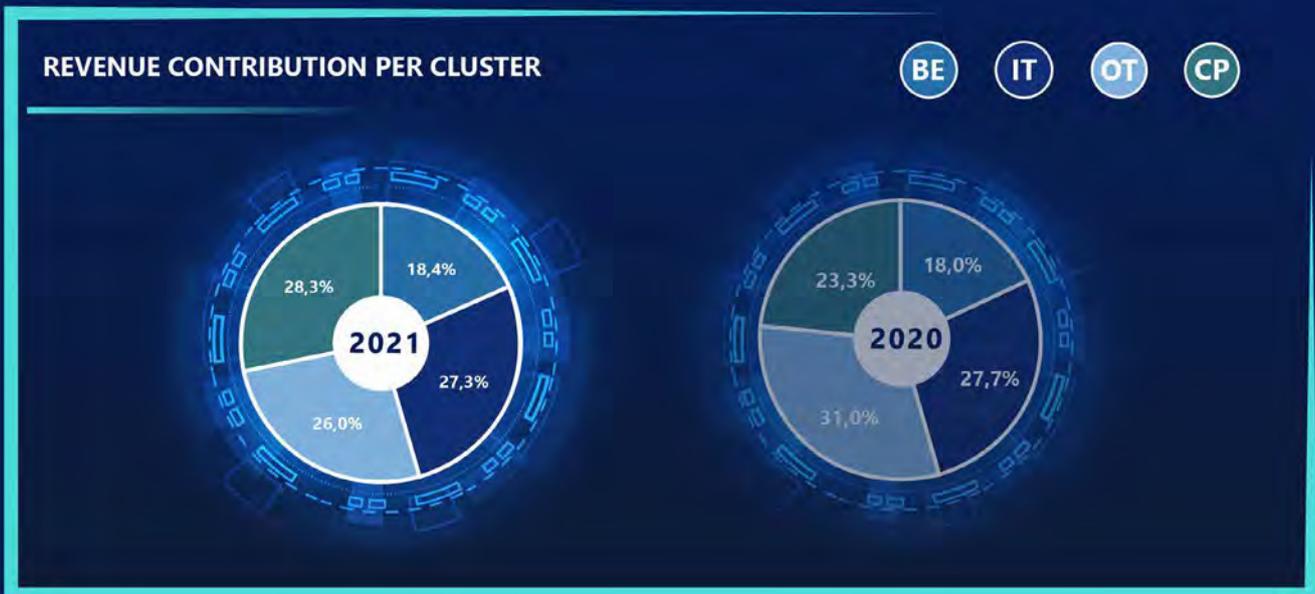


(ZAR MILLIONS)

# CLUSTER PERFORMANCE HIGHLIGHTS



(ZAR MILLIONS)



(ZAR MILLIONS)

# CHAPTER 1 | ABOUT THIS REPORT

## SECTION 1 | OUR MATERIAL MATTERS

### SCOPE AND BOUNDARY

In this 2021 Integrated Report we have made improvements in our reporting journey to provide our stakeholders with a more concise and transparent view of any material matters we encountered and of the challenges, opportunities presented to us during the year under review. We sought external guidance for our framework, so as to incrementally develop our integrated reporting and thinking, making certain additions - with a view to promoting sustainability through the provision of our technology solutions and corporate governance.

### ASSURANCE

We have obtained assurance through our Audit and Risk Committee as well as independently through our external auditors. Their findings of any changes in regulations provide assurance on the integrity of the financial statements included in this report.

### REPORT APPROVAL

The board acknowledges its responsibility to ensure the integrity and completeness of this Integrated Report (IR). The board believes that this IR addresses all material matters and offers a balanced and comprehensive view of 4Sight's strategic direction to prevent value erosion and how it creates and preserves value for stakeholders in the short, medium and long term.

The board believes this report materially aligns with the framework and provides an accurate and material account of 4Sight's performance and strategic direction. This report was submitted to the board for approval, they have unanimously approved the 2021 IR for publication.



*Tertius Zitzke*

Tertius Zitzke  
Chief Executive Officer (CEO)  
29 April 2022



*Kamil Patel*

Kamil Patel  
Chairperson  
29 April 2022

## Request for feedback

Your feedback on the contents and presentation of this report is welcome and will assist us in improving the quality and relevance of future reports. Please send any feedback on reporting content or requests for copies to Marili Van Niekerk (marili.vniekerk@4sight.cloud).

## How to navigate this report

We have used a number of icons throughout this report to guide stakeholders, indicate strategic pillars and areas of our business or assist stakeholders to find additional information.

	<b>People</b>	Human Capital
	<b>Customer</b>	Customer Capital
	<b>Operations</b>	Manufacturing Capital
	<b>Finance</b>	Financial Capital
	<b>Innovation</b>	Intellectual Capital
	<b>BE</b>	Business Environment Cluster
	<b>IT</b>	Information Technologies Cluster
	<b>OT</b>	Operational Technologies Cluster
	<b>CP</b>	Channel Partner Cluster
	<b>SS</b>	Shared Services

Further digital information icons: readers can find additional information and these are depicted using the following icons:

<b>King IV™ Report</b>		<b>King IV™ Report Principles</b>
<b>Weblink</b>		Weblink
<b>YouTube</b>		Watch 4Sight videos on YouTube
<b>LinkedIn</b>		Connect with 4Sight through our LinkedIn Profile
<b>Facebook</b>		Like our Facebook Page to connect with 4Sight

We have divided the chapters in this report, colour coded them to make the navigation easier. At the top of each page there is a thin, coloured strip that showcases the chapter.

	<b>CHAPTER 1   ABOUT THIS REPORT</b>
	<b>CHAPTER 2   GROUP OVERVIEW</b>
	<b>CHAPTER 3   LEADERSHIP REPORTS</b>
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	<b>CHAPTER 6   CORPORATE GOVERNANCE</b>
	<b>CHAPTER 7   KING IV™ REPORT PRINCIPLES</b>
	<b>CHAPTER 8   4SIGHT HOLDINGS CONSOLIDATED FINANCIAL STATEMENTS</b>
	<b>CHAPTER 9   NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS</b>



# CHAPTER 2 | GROUP OVERVIEW

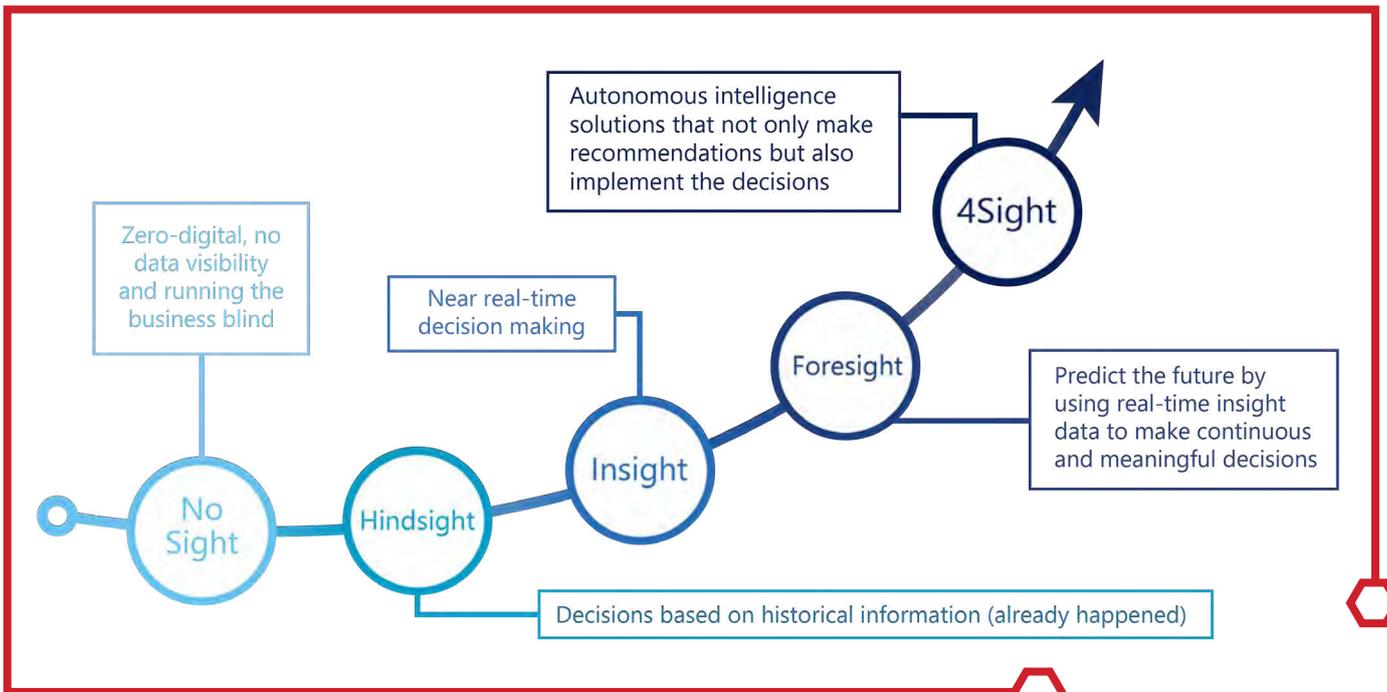
## SECTION 2 | ABOUT 4SIGHT HOLDINGS

4Sight Holdings Limited (4Sight) is a public company listed on the “JSE” AltX incorporated on 29 June 2017 in accordance with the laws of the Republic of Mauritius, specifically for the listing of the 4Sight Group on 19 October 2017.

As a multinational, diversified technology group, our purpose is to leverage our portfolio of Fourth Industrial Revolution (4IR) technologies, people, and data-focused solutions to design, develop, deploy, and grow solutions for our partners, including both customers and technology vendors.

We accelerate our partners’ digital journey, with an approach that enables an organisation-wide transformation. Our approach enables data and new technologies to amplify an organisation’s workforce to thrive in the modern digital economy.

Digital transformation is a journey that any organisation undertakes and is not something that happens overnight. We assist our customers and partners first, to understand where they currently are on this journey and then, how to progress with the correct technology applied to the next levels.



## UNLOCKING THE POWER OF VISIBILITY

The shift from no-sight to insight provides leaders in your business with the necessary real-time data to make informed decisions. Through our approach, we are able to take our partners on a journey from “no-sight” (zero-digital, no data visibility and running the business blind) to “foresight”. That is, the ability to predict the future using real-time “insight” data and technologies like ML (Machine Learning), AI (Artificial Intelligence), and digital

twin, to make continuous and meaningful decisions based on what will happen. Our end goal remains to transition our customers into the realm of “4Sight”, using autonomous intelligence solutions where the technology not only makes recommendations but also implements the decisions to maximise business profitability, efficiency and minimise risk.

Our business model enables our partners to take advantage of products and solutions within our Group, which will allow them to enjoy turnkey digital transformation solutions across industry verticals. This business model is supported by a focused 'blue ocean' strategy comprising:



Continuous Innovation

## WHAT WE DO

We focus on a cross section of established, new, and emerging technologies. These include AI solutions with ML, big data, cloud and business intelligence solutions, digital twins and simulation, information and operational technologies, production scheduling, horizontal and vertical integration, industrial Internet of things, cloud service provider, robotic process automation, and augmented and virtual reality solutions.



Fostering Partnerships

These 4IR technologies manifest in the various solutions we deliver to customers across all industries in both the private and public sectors.



Managing the move to OPEX models



### Mission

Empower our partners to future-proof their businesses through digital transformation



Unique Bespoke Business Solutions

It is not only these 4IR technologies that will take us forward, into the future. We cannot lose sight of focusing on the foundational principles, where we still need to implement solid, internal control procedures and specialise in our information technology proficiency that was historically the core of our business. We will continue to maintain the values and create that same level of confidence around internal control measures and corporate governance for our customers. At the end of the day, that is where business is really measured – in delivering and securing that future for our customers and employees alike.



Software-as-a-service (SAAS) and Annuity Business Models



### Vision

We are the digital transformation partner of choice to quantum leap your business into the realm of Enterprise 5.0

We believe that the rate of adoption of 4IR, people and data-focused solutions will grow exponentially, which is why we have positioned our business to be ready with the best solutions to empower our partners now and into the future.



Building the Modern Digital Enterprise of the Future (Enterprise 5.0)

At the heart of our ability to meet the Fourth Industrial Revolution's demands lies our team of passionate and dedicated technology, engineering, financial and business experts.

## Values

Trust

Teamwork

Accountability

Transparency

Passion



Embracing the Modern Digital Economy

For more information about our strategy, read page 41. To view our business model, view page 21.

By leveraging the vast pool of intellectual property that resides within our Group, we help our partners create smarter operations, build new products, create new disruptive models, and guide them through the digital transformation process.

We have the necessary skills and expertise to support business digitisation at every stage of the transformation process, from sourcing and manufacturing to distribution and consumption.

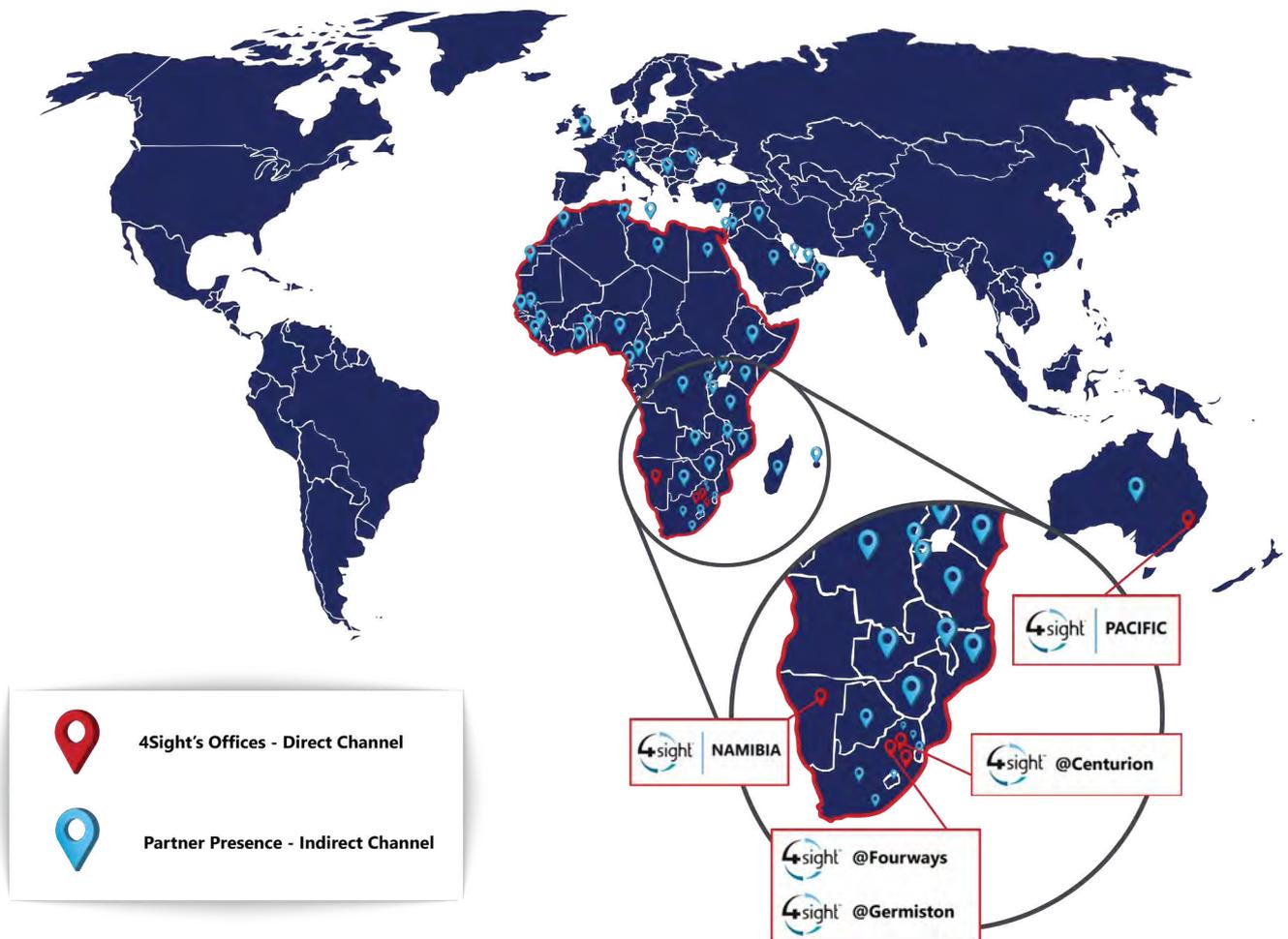
In the next two to five years, this competence and expertise will help our partners to realise the benefits of the disruptive industry business models that 4IR, people and data-focused solutions can create as the fourth industrial revolution becomes more pervasive in economies around the world.



## GEOGRAPHIC FOOTPRINT

4Sight has a dual “Go to Market” strategy – this has had a positive and significant impact on performance in 2021, comprising a direct model, targeting Tier 1 and Tier 2 customers and an indirect model, enabling over 650 partners to take 4Sight’s offerings to market. Utilising and scaling the offerings and synergies from across our

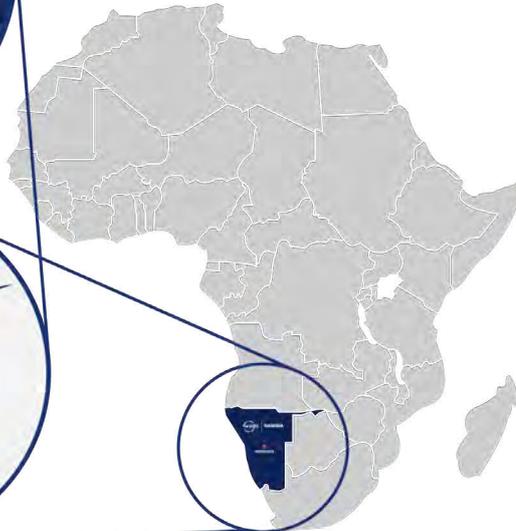
Clusters enables us to create and maintain a competitive advantage for 4Sight. Our cross-selling strategy utilises Key Account Management principles to obtain maximum value and wallet share from the customer and partner base, while building long-term relationships and roadmaps for digital transformation and decision making.



DIRECT CHANNEL



NAMIBIA



## LAUNCH OF 4SIGHT NAMIBIA

4Sight started planning the launch of its new office in Windhoek, Namibia in early 2022, aligned to the aim of an expansion into Africa – thereby extending our range of solutions available to the Namibian market. The expansion is part of the Group’s strategy to grow the 4Sight brand globally. With Namibia having a stable, growing economy and because of its proximity to South Africa, it was the clear choice for advancing the 4Sight presence on the African continent.

A major subsidiary of 4Sight Holdings, AccTech Systems had a long-standing, healthy business relationship with AccTech Namibia, which was part of the Alliance Programme and is now a 100% owned subsidiary, 4Sight Namibia. This growth intent increases our direct channel to market, where we can leverage our existing strategic Partnerships as well as our unique selling proposition of combining technology, with engineering and business expertise to create offerings that make the business more effective and profitable.

## ASSOCIATES

4Sight Africa is our B-BBEE Level 2 entity. The company consists of 51% owned by young black management and 49% by the Group. Founded in 2013, 4Sight Africa was formed with the strategic intent to provide end-to-end business solutions within the South Africa region – to digitally transform our partners strategically in both the private and the public sector.



# OUR OPERATIONAL NUMBERS

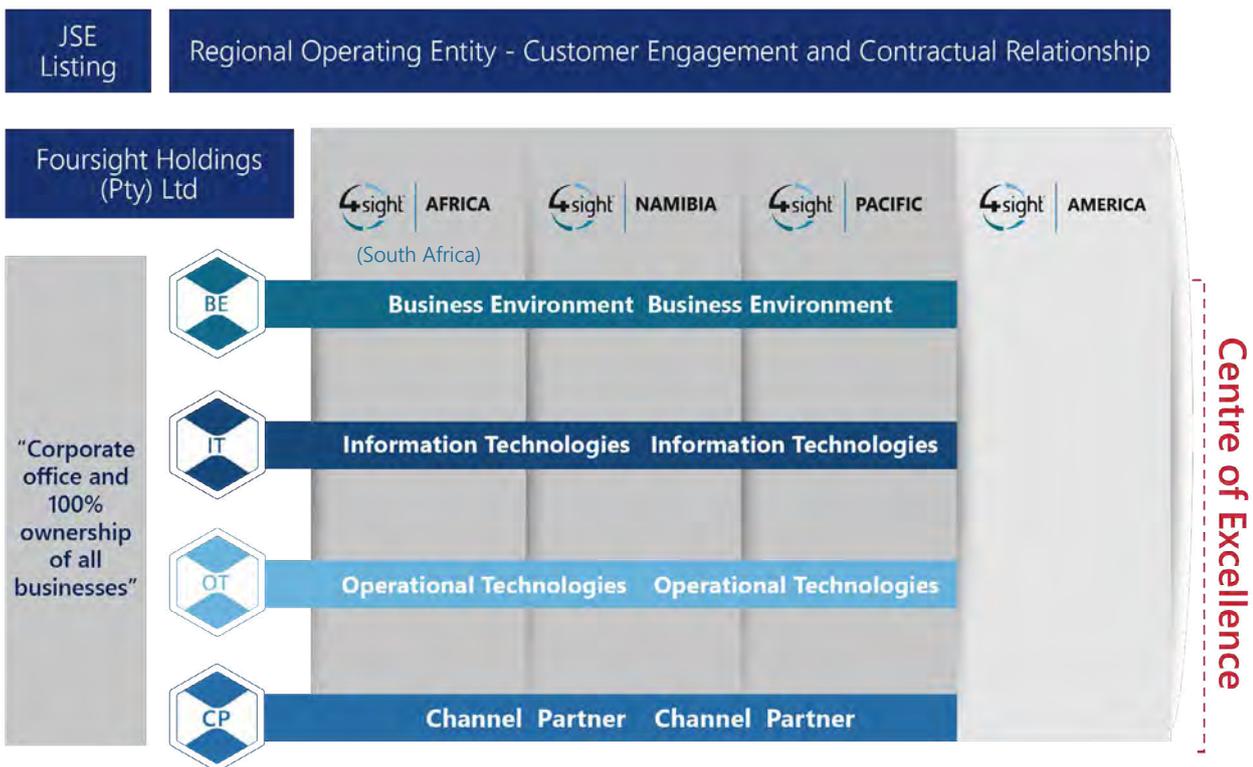


# OUR CLUSTERS



## GLOBAL STRUCTURE

### 4Sight Global Structure - End Goal 2025



## SECTION 3 | GROUP STRUCTURE



### Executive committee group structure

In line with the agreed business strategy, an organisational structure has been applied to fully align to the strategy. The Executive Committee (EXCO), formed and implemented, with the relevant roles and KPIs, to support the execution.

 <p><b>Tertius Zitzke</b> Chief Executive Officer <b>Executive Director</b></p>	 <p><b>Eric van der Merwe</b> Financial Director <b>Executive Director</b></p>	 <p><b>Willie Ackerman</b> Chief Sales and Marketing Officer</p>
 <p><b>Tracy Short</b> Chief Operating Officer</p>	 <p><b>Marie-Louise Zitzke</b> Chief People Officer</p>	 <p><b>Nick Botha</b> Chief Channel Partner Officer</p>
 <p><b>Andre Cloete</b> Chief Information Technology Officer</p>	 <p><b>Rudi Dreyer</b> Chief Business Environment Officer</p>	 <p><b>Wilhelm Swart</b> Chief Operational Technology Officer</p>

# CHAPTER 3 | LEADERSHIP REPORTS



## SECTION 4 | CHAIRPERSON'S REVIEW

4Sight's sound organisational structure has enabled the business to scale to meet the increased demand, resulting in improved growth and profitability

### Reflecting on 2021

The COVID-19 pandemic forced a technology-led way of life, with corporate and consumers accepting technology-based engagement platforms and adapted work models. It boosted the adoption of digital transformation and fuelled the need for more automated, decentralised, and flexible technology systems. Fortunately, 4Sight was able to seize these opportunities and profit from this trend.

Macroeconomic challenges compressed corporate expenditure and confidence, thereby forcing companies to innovate and rethink their business models. Companies felt pressured to be more efficient and effective to compete – they must do things faster, smarter, and cheaper. As an Enterprise 5.0 technology-led company, 4Sight is perfectly positioned to help our customers achieve these goals.

4Sight's sound organisational structure (our four Clusters and centralised shared services capabilities) has enabled the business to scale to meet the increased demand; resulting in improved growth and profitability, increased flexibility, and enhanced efficiencies. These centralised shared service capabilities use our systems and methodologies (HR, CRM, and ERP systems) to facilitate the effective management of people and customers, as well as support real-time financial cash management for improved decision making.

COVID-19 also presented new challenges for the leadership team when key members of the exco team contracted the virus – our CEO was even hospitalised. Fortunately, everyone recovered. While this experience was not pleasant, we successfully demonstrated the strength of our succession planning. For us, this was one of our defining moments during the pandemic, providing us with a level 2 compliancy.

Our dealings with the public sector also improved during the year. We experienced less corruption, which enhanced our working capabilities. The establishment of 4Sight Africa also meant we could meet B-BBEE requirements, which smoothed public sector engagement further.

### Governance structures and sustainability

The board is comprised of highly skilled members, who are committed to the principles of good governance, and work to ensure all governance standards are aligned with best practice, the JSE regulations and principles of the King IV Report™.

The board, its subcommittees and the executive team are aligned and work together to ensure value creation for stakeholders. While further improvements to our governance methodology can always be made, we faithfully work to address and close any gaps.

As part of our consolidation strategy, all business units were united under one internal programme 4Sight brand - “all4us”. This programme informed the standardisation of policies across the group, and the approval of our delegation of authority policy. This alignment promotes agility and the equal division of labour and ensures our governance structure is fit-for-purpose.

4Sight requires skill and innovation to remain competitive. For this reason, we value skills development and understand the value of upskilling our board and employees on a continuous basis.

### Board priorities

Our main objective was to set policies at board and subcommittee level – to ensure our policy framework supports decision making and mitigates any eventuality. A formalised board calendar was implemented; we assigned themes to each board meeting – covering budgeting, results and reporting, strategy, sales and marketing, and operations. This approach establishes a rhythm that flows from board throughout the business.

## ISO 27001 certification

Information security extends beyond IT and software and includes any information of value to the business and its stakeholders. The goal of information security is to ensure the right person has the right information, at the right time, every time; as well as to guarantee their confidentiality, integrity, and availability.

4Sight processes and manages significant amounts of customer and partner information. Our priority is to safeguard their data privacy and ensure data protection. We do this by implementing controls and tools focused on identifying information security risks; this reduces the risk of data breaches. Our Information Security Management Systems (ISMS) are now a core component of our day-to-day business process.

Our ISMS have achieved ISO 27001:2013 certification. This certification has become a global benchmark for the effective management of information assets. We are proud of this achievement. This certification

demonstrates our commitment to internal compliance and security. We have invested in the necessary people, processes, and technology to protect our data. As a result, we have benefited from increased reliability and security of information.

## Stakeholder engagement

Our success is dependent on people – our employees, our partners, our customers, our shareholders, and other stakeholders. 4Sight understands the value of transparent and honest stakeholder engagement. By engaging meaningfully with people, we are able to understand their legitimate needs and concerns and ensure we adequately address them.

4Sight lives its values (trust, teamwork, transparency, accountability, and passion) daily. This enables us to be a partner and employer of choice. Our results speak for themselves. People are always satisfied when value is created. I am happy to say that our people ecosystem has once again delivered brilliant results. Our performance has displayed strength and consistency.



### PARTNERS

We are fortunate to work with the world's leading vendor partners. They are a cornerstone of our business model and enable us to create innovative solutions to solve real business problems. We focus on identifying technologies we want to use and collaborate with our partners to develop bespoke IP solutions using those technologies.



### PRODUCTS

Our customers use our IP developed solutions, systems, and methodologies to help them reach their goals.



### PEOPLE

Attracting and retaining key skills is critical to our ability to scale and grow the business. Our employees are a strategic asset. We are committed to developing critical skills and creating a culture of growth. We are proud of our team and our specialist skills base, such as IT experts, engineers, accountants, data scientists and developers. We are trying to avoid the brain drain and have implemented multiple human capital and remuneration initiatives to retain key staff members, such as an incentive scheme.



### INVESTORS

80% of 4Sight shares held are owned by a few shareholders, with a small free float. Our goal is to attract more institutional investors. Our goal is to sustain consistent growth and healthy cashflows and exceed R1 billion in turnover. We believe that once we achieve our turnover target, we will attract more institutional investors, drive demand and create liquidity for our share price.

## Delivering on ESG

Delivering on ESG has become more important than ever. 4Sight recognises that we must be part of the solution to assist our customers to achieve a net zero emission. We plan to achieve this by driving commercialisation on buildings (in a partnership with Zutari); as well as, through the industrialisation of mining operations (through our partnership with Minopex) using simulation as the starting point to guide customers towards becoming a net zero entity.

## Annual General Meeting

Our Annual General Meeting will be held on 24 June 2022. The notice of the meeting appears on page 156 of this report.

## In appreciation

I am grateful to work with such talented, driven, and experienced board members. I thank them for their commitment and contributions. I would also like to acknowledge the chairperson of each subcommittee for their support and guidance during the year.

I thank the exco team, and especially CEO Tertius Zitzke, for their valued contributions, long hours, and board support.

I appreciate the trust our industry partners have placed in us – they are a key differentiator for 4Sight and critical to our success.



*Kamil Patel*

Kamil Patel  
Chairperson  
29 April 2022



## SECTION 5 | MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Our success demonstrates that we are delivering what the market needs

### Performance

We had an exceptional year, offering investors double-digit revenue growth of 12.9% and a 3.6% increase in gross profit. Our shareholders benefited from basic earnings per share climbing to R1.695 from R1.329 cents per share, and our net asset value increased by 3.5%.

Our goal is to quantum leap our customers into the realm of Enterprise 5.0. We have created a Cluster called Business Environment that facilitates the convergence between IT, OT, and host data, to enhance visibility (we call this “foresight”) to enhance decision making.

We were fortunate that the pandemic fast-tracked digital transformation. We saw more companies needing organisational digitalisation and automation, which increased the demand for our solutions and necessitated a refinement of our go-to-market strategy to extend our distribution channels and globalise our offering.

To harness these opportunities, our cross-selling enablement model ensured we could scale our offerings and synergies to create and maintain our competitive advantage.

### A united brand to improve operational synergies

4Sight was rebranded and united under one brand identity and purpose. The goal was to improve collaboration and unlock value from our existing resources. Please visit our 4Sight [www.4sight.cloud](http://www.4sight.cloud) website, which was launched during the year. The convergence of BE, IT, OT and CP in our own business is now complete and we can see the collaboration already scaling into growth for 4Sight in 2022.

As a solutions-driven business, we created a single view of our business, where we can access everything on one centralised portal (my 4Sight Portal) to enable self service. Our Chief Operations Officer (COO) implemented an ERP system to streamline, standardise and automate our administration of shared services ,resulting in improved synergies and optimised costs.

### Innovation

We solve problems for our customers by co-creating solutions with OEMs. Co-creation is a key innovation principle for 4Sight. By using existing technologies to create new solutions, the risk of innovation is reduced and enables us to take solutions to market quickly. Often these solutions were first developed for our own internal use before they were offered to market; this ensures our solutions are fit for purpose.

We are actively creating a technology-led work environment, which embraces innovation and the new economy by ensuring a team can be productive anywhere, whilst enabling managers to track output, regardless of location.

To foster a culture of innovation, we reinvest a third of our retained earnings for research and development. We also host a bi-weekly internal employee engagement event called “Innovation Hour” to give our staff a platform to showcase their ideas and successes.



## Our people

South Africa is facing a massive flight of human capital, especially in the technology sector. Local talent has become a target by global companies who offer South African employees flexible working hours and foreign currency-denominated remuneration. South African companies wishing to retain their human capital face a trade-off – either lose critical skills or match foreign currency earning potential with rand-denominated resources, thereby escalating operating costs and negatively impacting their businesses.

This has resulted in a skills shortage in the technology sector. Many highly skilled people are emigrating and semigrating. The remote working trend has also enabled South African employees to work remotely for global companies.

Countering the brain drain remains a key focus for 4Sight. We want to retain and grow our industry and domain expertise. We use our learning programmes to mitigate against this risk. By training our employees and offering youth skills learnership programmes we hope to develop new technology skills, retrain employees for new positions as part of our succession planning, and sharpen existing skills. We want 4Sight to be considered an employer of

choice, a place where candidates can grow their careers and develop new skills. The following skills are most in demand – software developers, computer network technicians, developer programmers, computer network, and systems engineers.

Our results-driven corporate culture attracts ambitious and talented people, eager to grow in their personal and professional lives. We use remuneration and reward as a tool to retain and incentivise success. During the year, a formal incentive scheme was launched to ensure employees who help the company deliver success, share in that success.

As part of our rebranding exercise, we launched the “all4us” People brand to increase awareness of our employee value proposition and motivate staff to adopt a culture of success. To embed brand loyalty and improve employee engagement, I meet with every employee in the business annually. These may be brief engagements (only 10-minute sessions); however, they have proved to be extremely valuable for both employees and myself – to understand their needs and ambitions, and for employees to feel valued and heard.



## Partners and customers

As an Enterprise 5.0 business, we are considered the digital transformation acceleration partner of choice. By using our Hybrid Cloud technologies combined with our Integration IP and Data Analytics, protected with Cyber Security solutions, we help our customers make more informed decisions to future-proof their businesses through digital acceleration – where they benefit from integrating real-time data and use predictive analytics using artificial intelligence (AI) and machine learning (ML).

During the year, we focused our energies on efficient account planning and cross-selling between business clusters. As a result, our indirect sales channel grew to over 650 partners.

We view our relationships with OEM vendor partners as critical to our success, and an integral part of our business model and go-to-market strategy. We value our partnerships, and our partners value us. During the year, our contributions were acknowledged; see our accolades below:

	<p>4Sight is an International Gold Microsoft Partner with 11 Gold Competencies and 4 Silver Competencies across the various solution areas, also holding Advanced Specializations in Adoption and Change Management as well as Windows Server and SQL Server Migration to Microsoft Azure.</p> <p>Microsoft South Africa recognised 4Sight as a finalist for their “Modern work, application development and business applications power platform” at the 2021 Microsoft South Africa Partner of the Year awards.</p>
	<p>4Sight has been recognised as a Sage Platinum Partner since 1988, based on highest performance. We also received the Sage Customer Retention award, for the Sage Partner who achieved the highest renewal rate and customer satisfaction levels. Plus, were awarded Sage ISV Rockstar Status, which is considered the highest category in the Sage Partner Programme for ISVs.</p>
	<p>4Sight formed a strategic partnership with Minopex wholly owned by DRA Global – to create a unique value proposition for the mining and minerals industry. Minopex has extensive experience managing operations and maintenance for customers in the base and precious metals, stones and bulk commodities sector and with 4Sight’s provision of technology platforms we can use data, simulation and automation to improve productivity for them.</p>
	<p>AspenTech selected 4Sight as its main partner for Mtell APM enablement and implementations.</p>
	<p>50+ new partners were added within the CP cluster in the rest of Africa.</p>
	<p>Our Customer Converge event was held in-person, over multiple days. It targeted clients in mining, manufacturing, and mixed industries verticals. The purpose of this event was to showcase the full spectrum of 4Sight’s capabilities and our unique value proposition. This event series was held at our recently launched Envisioning Centre in October and generated multiple new business leads across all clusters.</p>
	<p>4Sight has been a dedicated PaySpace Partner for the last 4 years - white labelling the solution for Business Applications and taking it to market as Dynamics Payroll, powered by PaySpace.</p>

## Outlook

We have successfully built a strong foundation for growth. We expect positive growth in 2022, and over the medium term due to increased demand for digital transformation and our ability to scale our offering. We are fortunate that the demand for digitalisation initiatives now exceeds supply. The only significant risk we face, is a skills shortage brought about by the brain drain in South Africa.

We have structured our business and revenue generation mix to ensure that 70% of our revenue is annuity income. Our plans to grow our regional and partner network will also support our growth prospects, increase revenue, and improve profitability.

## In appreciation

I want to thank our talented and dedicated workforce. It is through the efforts of our **People** that 4Sight was able to grow and scale at the pace we have. Our success demonstrates that we have employed the correct **People** to execute our strategy.

I would like to thank the executive team for their resilience and hard work during a time of rapid change. To our Chairperson and board members, thank you for your guidance and commitment, going beyond normal board meetings, to numerous calls for advice.

To our partners and customers, thank you for your continued partnership and loyalty.

Our future shines brightly. We are building the company of the future, today!



*Tertius Zitzke*

Tertius Zitzke  
Chief Executive Officer (CEO)  
29 April 2022

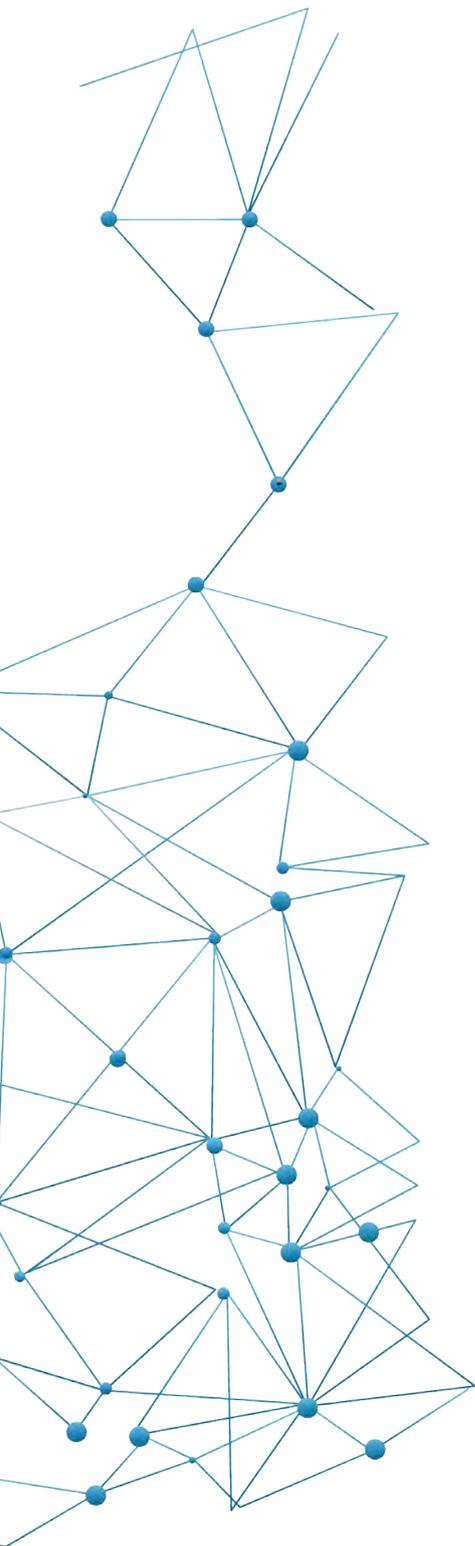


# CHAPTER 4 | BUSINESS OVERVIEW

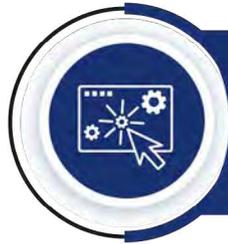


## SECTION 6 | BUSINESS OPERATIONS

Our business model enables our partners to take advantage of our 4IR solutions which enable them to enjoy turnkey digital transformation solutions across industry verticals



**Customer first thinking** - tailored approach to ensure we're meeting our customer needs



give the customer the **right interface** with the right person at the **right time** with the **correct domain skills and knowledge**



**scale the offerings and synergies from our subsidiaries's teams** that create and maintain a competitive advantage



The Digital Transformation Partner of Choice that empowers partners to future-proof their business through digital transformation

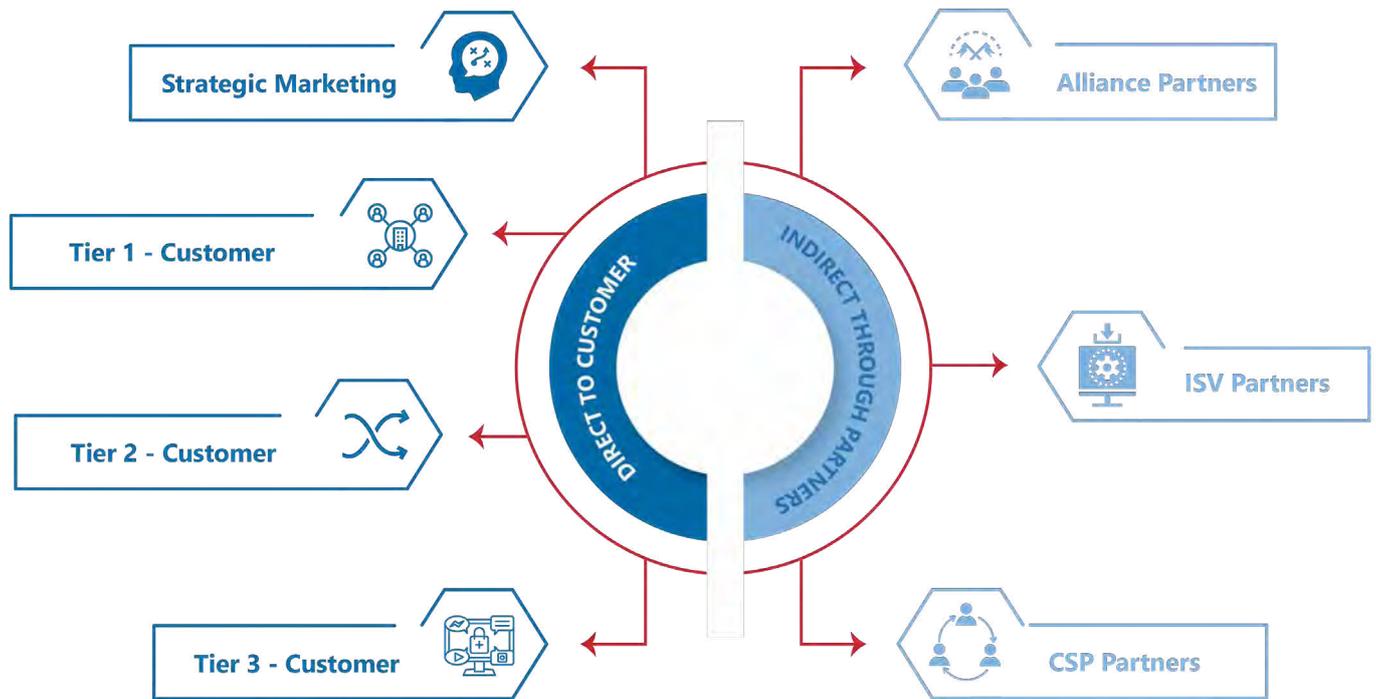


## REGIONAL MARKET EXPANSION

Our direct reach and our partner network extend globally.

Growth in our regional market has bolstered our capabilities, with 4Sight Namibia and our plans to expand our Pacific (Australian) and American reach by 2025. This expansion is expected to harness growth opportunities and projections in these markets and significantly contribute to the planned growth targets over the next few years.

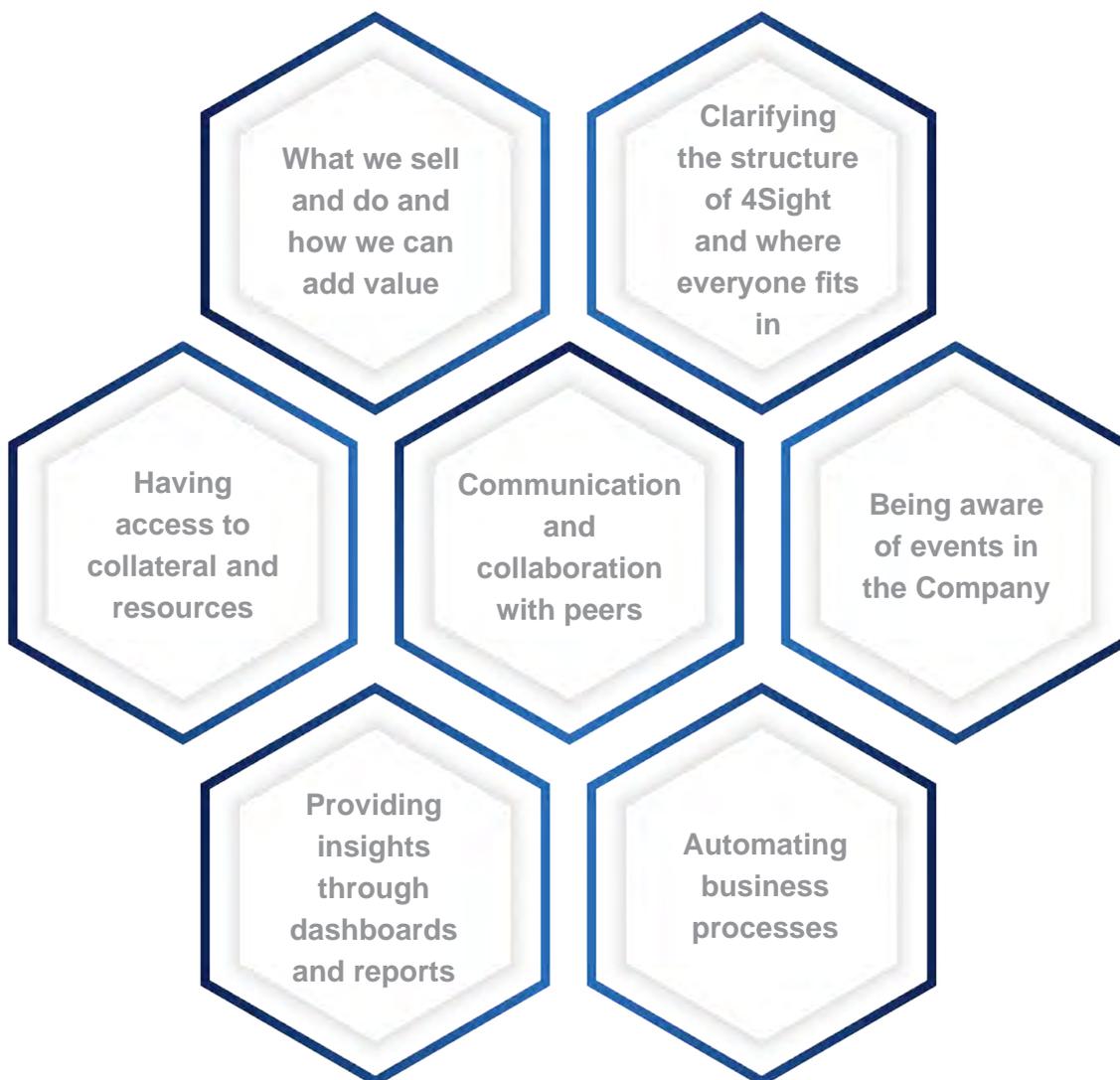
## 6 CHANNELS OF GROWTH



## MY 4SIGHT PORTAL

Aligned to our standardisation drive, we rolled out the My 4Sight Portal – a unified employee experience platform, with a single sign on to then gain access to all relevant system touchpoints: HR, Marketing, Sales, Finance, right across the business. In this Portal, employees are able to retrieve the same marketing and sales assets and engage with functions right across the organisation, to experience the one 4Sight work environment and produce speedy results, from anywhere.

Everything they need is available, in one shared place. It is like being at the office, where you would be able to engage all the Pillars – People, Customers, Operations, Finance and Innovation but from your one view. Everyone will then be aligned in terms of their communications to prospects, customers and Partners in terms of:



This innovative, my 4Sight enablement Portal is packaged and available to customers as well, with the same feature-rich capability but just with a facelift to suit their own company and brand.

The logo features a stylized white '4' with a plus sign inside, followed by the word 'sight' in a white sans-serif font. A small 'TM' trademark symbol is positioned to the upper right of the 't'. The logo is set against a dark blue background with a circular graphic element consisting of two curved segments, one white and one light blue, framing the text.

4+sight™





# CLUSTER OVERVIEW

The executive directors assess the performance of the operating clusters based on the measure of operating profit. The Group has four strategic clusters for reporting purposes.

The following summary describes the operations of each reportable cluster.



## THE FOUR REPORTABLE CLUSTERS ARE:



**BUSINESS ENVIRONMENT (BE)**



**INFORMATION TECHNOLOGIES (IT)**



**OPERATIONAL TECHNOLOGIES (OT)**



**CHANNEL PARTNER (CP)**



**BUSINESS ENVIRONMENT**

The Business Environment (BE) Cluster partners with our customers to drive value-creating digital transformation in specific areas of the business. Digital transformation of an entire enterprise requires the convergence of the OT and IT environments. This convergence ensures that business applications are developed using all enterprise data that enables better and more informed decision making.



**INFORMATION TECHNOLOGIES**

The Information Technologies (IT) Cluster focuses on enabling the digital transformation of ERP, accounting, human resources, and payroll disciplines. This transformation empowers enterprises to execute with agility to ensure survival in the new digital economy by empowering people, transforming products, and keeping customers close.



**OPERATIONAL TECHNOLOGIES**

The Operational Technologies (OT) Cluster provides key 4IR technologies and services to help industrial customers with their full end-to-end digital transformation journey while following a cost-effective and low-risk self-funding methodology. The approach allows customers to remain competitive in the digital economy while ensuring any digital initiative has a six-month or better return on investment (ROI).



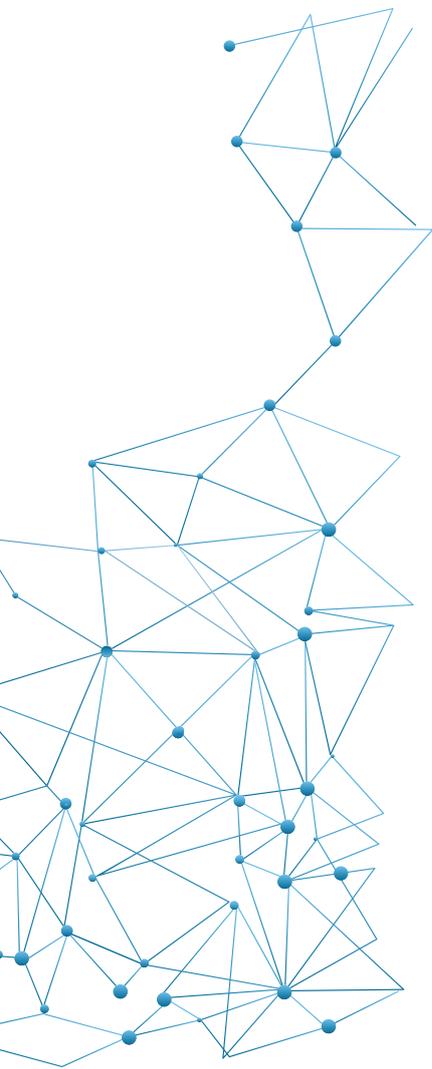
**CHANNEL PARTNER**

The Channel Partner (CP) Cluster is 4Sight's 100% partner-focused ecosystem. The cluster supports and empowers an ever-expanding channel of value-added resellers across Africa, the Middle East, and Central Europe to distribute 4Sight's BE, IT, and OT integrated solutions to markets across the world.





# BE CLUSTER

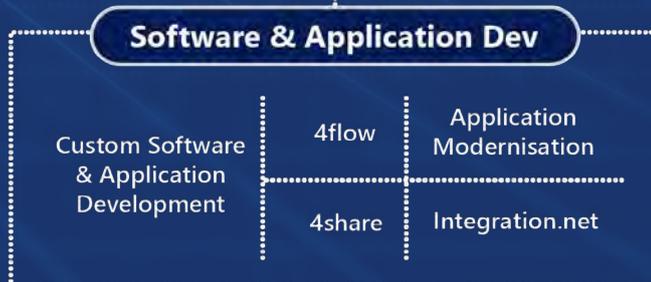
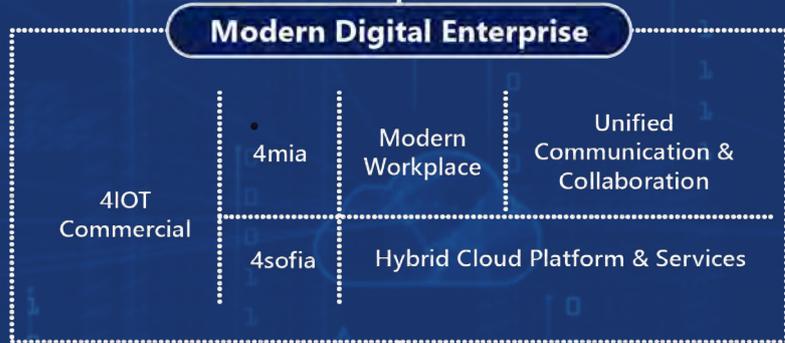




 BUSINESS ENVIRONMENT



 DIGITAL TRANSFORMATION  
 DATA ENABLEMENT  
 SOFTWARE & APPLICATION DEV





# CLUSTER POSITIONING



The Business Environment (BE) cluster consists of three divisions - Data Enablement, Development, and the Modern Digital Enterprise

Digital transformation of an entire enterprise requires the convergence of the OT (Operational Technologies) and IT (Information Technologies) environments, so that business applications can be developed on enterprise data that enable better and more informed business decision making.

The Business Environment cluster partners with our customers to drive value. Most engagements start with an assessment of their Information and Communications Technologies (ICT) landscape. From these assessments, we help our customers build a self-funding digital transformation roadmap, where benefits from each digital initiative funds the next initiative.

We have a wide range of digital offerings, and the next digital initiative is driven by the quickest return on investment opportunity. After starting with assessments, we modernise and optimise the environment, implement our solutions, and provide a managed service for proactive maintenance and continuous improvement for our customers.

## The Modern Digital Enterprise (MDE) Division

The Modern Digital Enterprise division focuses on digital transformation journeys that start with business outcomes. Our digital transformation framework is a formalised plan to assist on how and when to execute strategic objectives to empower our customers and partners to control their technology destinies.

### Data Enablement Division

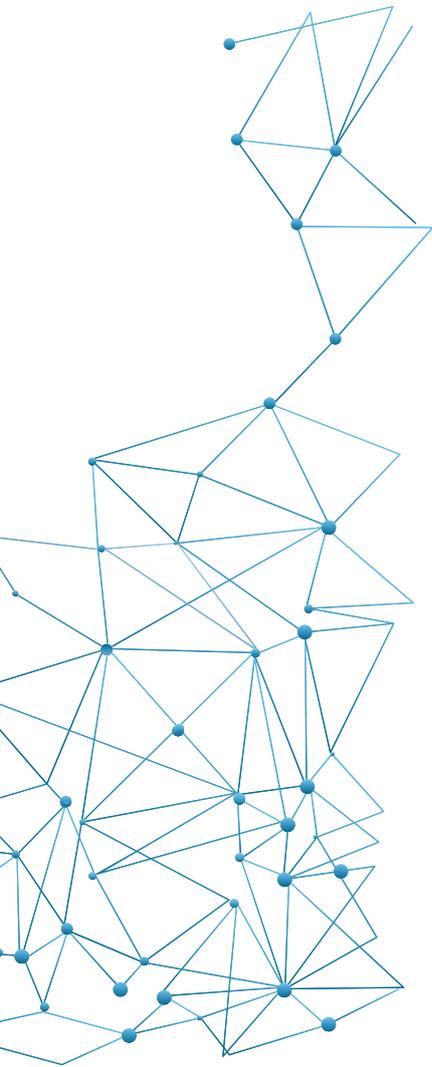
The Data Enablement Division helps organisations build an enterprise data strategy focused around enabling businesses to manage their data needs end to end. We achieve this through scalable, source system-independent data models that expose all the business data together to have all the information required to manage their enterprise.

### Software and Application Development

The Software and Application Development division is a highly experienced team of developers with a good hybrid of generalists and specialist development skills. The division consists of various units that focus on bespoke development, system and data integration, product development, and system or business analysis.



# IT CLUSTER



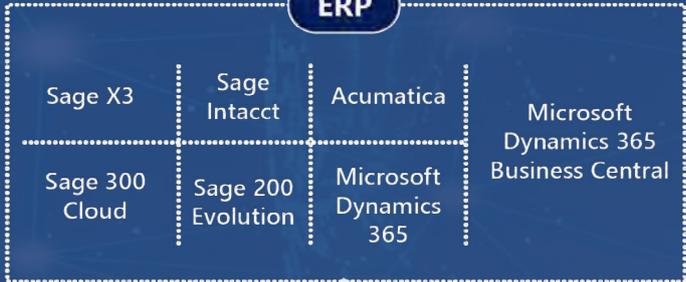
Business Process Automation

  INFORMATION TECHNOLOGIES

  ERP  
HR & PAYROLL  
FIXED ASSETS  
CRM



## ERP



## HR & Payroll

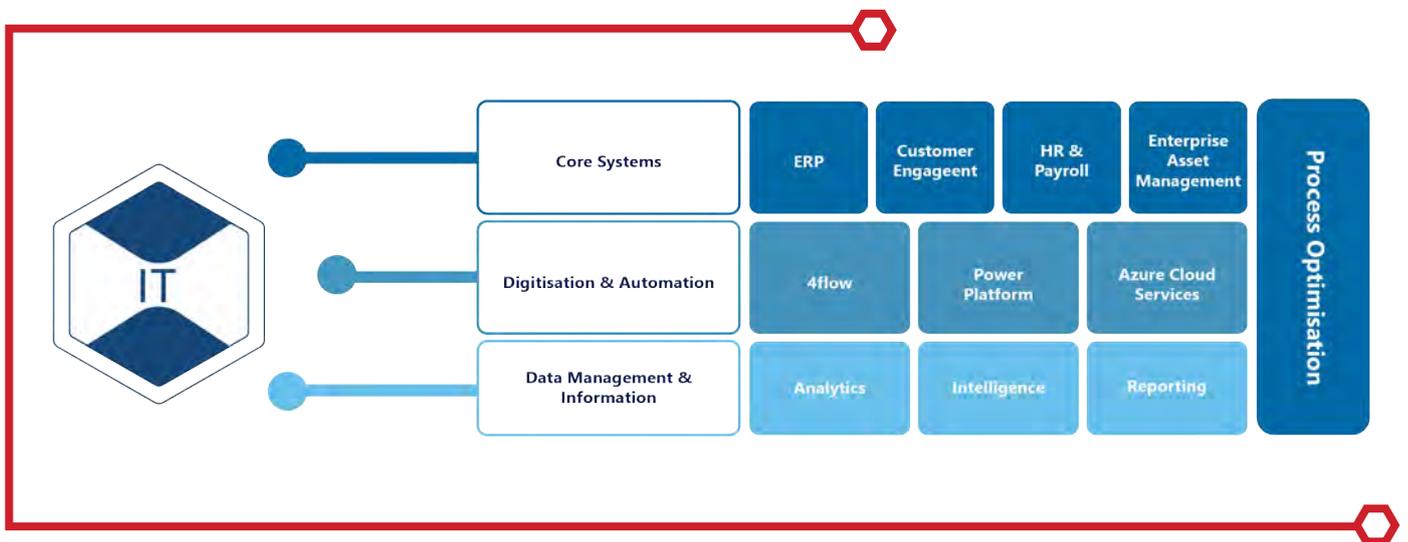


## Fixed Assets



## CRM





The Information Technology (IT) cluster consist of four key divisions, namely ERP, HR and Payroll, Fixed Assets, and CRM

The IT Cluster sells and supports numerous ERP (Enterprise Resource Planning) solutions - business management applications to manage your entire business from the financial and accounting requirements, to inventory and operations. Our payroll and Human Resource (HR) Management solutions takes care of your pay runs and overall payroll processes as well as facilitate the management of the employee journey.

We provide our customers with the ultimate ,comprehensive asset management products and solutions designed for the medium business to large business and multinational corporations. To manage all your Customer Relationship needs, the Information Technologies (IT) Cluster offers both Sage CRM and Dynamics 365 Customer Engagement.

### ERP

ERP stands for Enterprise Resource Planning and includes applications that manage your day-to-day business operations across departments or divisions. The ERP solution includes integrated modules that focus on specific functions like accounting, inventory management, manufacturing, procurement and supply chain.

### HR and Payroll

HR and Payroll solutions simplify and manage your organisation’s payroll processing and employee information, as well as any other Human Resources tasks and procedures. They help manage your **People** and automate and streamline processes.

### Fixed Assets

Fixed Asset solutions manage the complete lifecycle of your business’s Fixed Assets, such as land, buildings, motor vehicles and office equipment. The solutions are used to process the asset accounting transactions, including acquisition, depreciation, adjustment and disposal of them.

### CRM

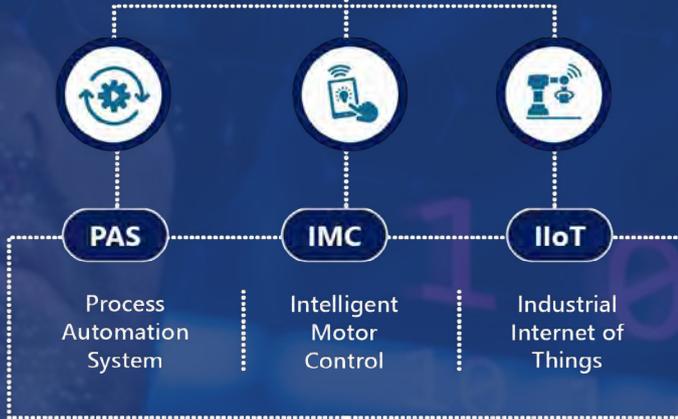
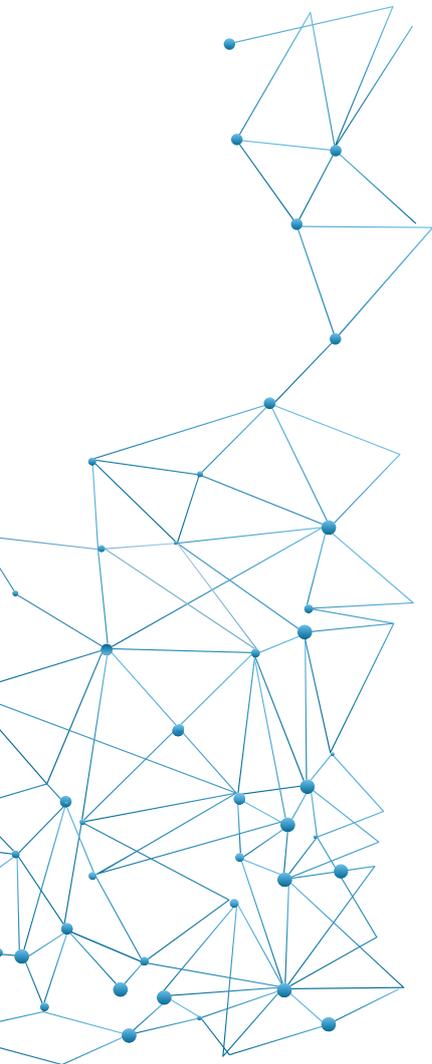
CRM stands for Customer Relationship Management and include solutions used to manage all aspects of your customer engagements and relationships. They help provide a complete understanding of all interactions and are designed to offer a seamless experience for your customers.

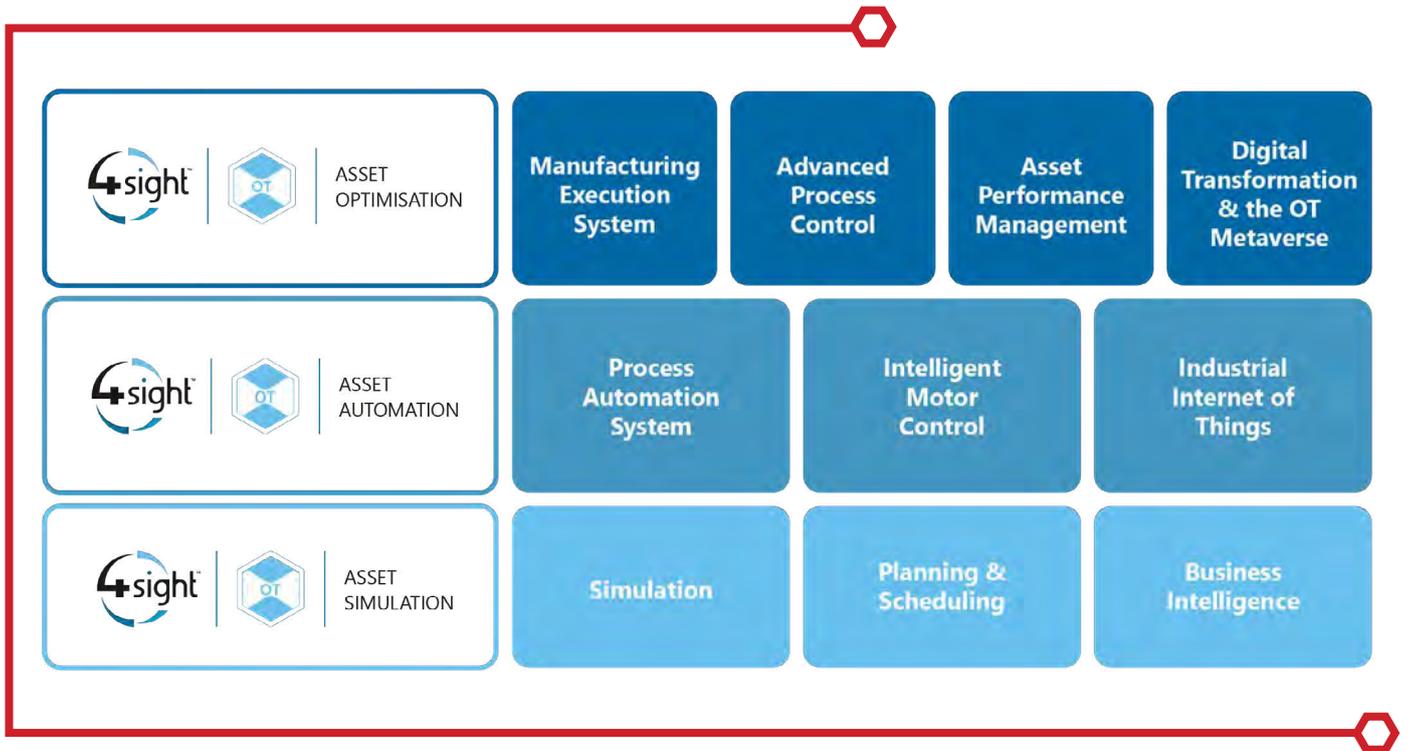
### 4Flow (BPM)

Discover your business processes using an analytical discipline for discovering, monitoring, and improving processes with an objective view using event logs readily available in today’s information systems . Identify repetitive and time consuming tasks performed by your users.



# OT CLUSTER





The Operational Technologies (OT) cluster consists of three key divisions, namely Asset Optimisation, Asset Automation, and Asset Simulation

4Sight's OT Cluster provides key 4IR technologies and services needed to help industrial customers with their full end-to-end digital transformation journey, while following a cost effective and low risk, self-funding methodology. This allows customers to remain competitive in the digital economy while making sure any digital initiative has a 6-month or better return on investment (ROI).

We believe that the key characteristic of 4IR is the intelligent use of data to support better decision-making in near real time. This is critically important in today's hyper-competitive digital economy in which the ability to pivot rapidly in response to changing market conditions or customer demand, is vital. To realise the true value of 4IR technologies, organisations will need to evolve so that people and technology also converge.

### Asset Optimisation

Asset Optimisation solutions enable mining and manufacturing companies to optimally operate processing plants or streamline manufacturing processes to maximise revenues, eliminate inefficiencies and minimise costs.

### Asset Automation

Linking the customer's physical plant to the digital world. Digitisation is achieved by utilising world-class IoT

(Internet of Things) devices and automation solutions, improving operational efficiencies and driving innovation. Engineering services include consulting, design, system development, commissioning, and support.

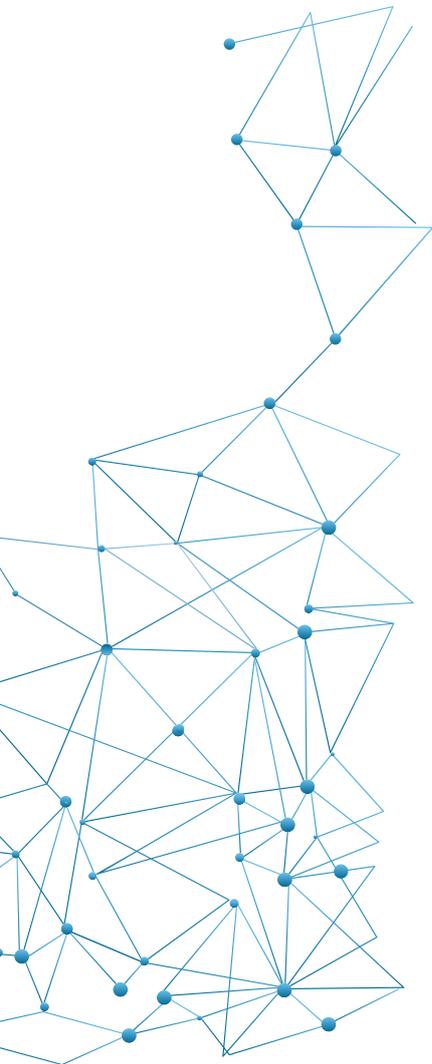
Our asset automation solutions comprise hardware (products) and software (solutions) that automate and control industrial processes. Our solutions are designed and developed by automation engineers, skilled in electrical and electronic engineering and consist of programmable language controllers (PLC) and supervisory control and data acquisition (SCADA) systems that enable the customer to operate its plants optimally.

### Asset Simulation

Asset simulation is a computer model that mimics a whole system's behaviour to represent the operations of a real-world or planned system. The model observes the history and draws inferences about system characteristics providing decision support by quantifying the possible benefits. We develop discrete and continuous simulation models of complex systems within the mining, rail, logistics, manufacturing, and service industries using market-leading simulation software, namely Simio®, Optislot®, and SimMine®.



# CP CLUSTER



  CHANNEL PARTNER

  CLOUD SOLUTION PROVIDER



**Azure**  
Azure Cloud Computing

**D365**  
Dynamics 365 Business Applications

**M365**  
Microsoft and Office 365

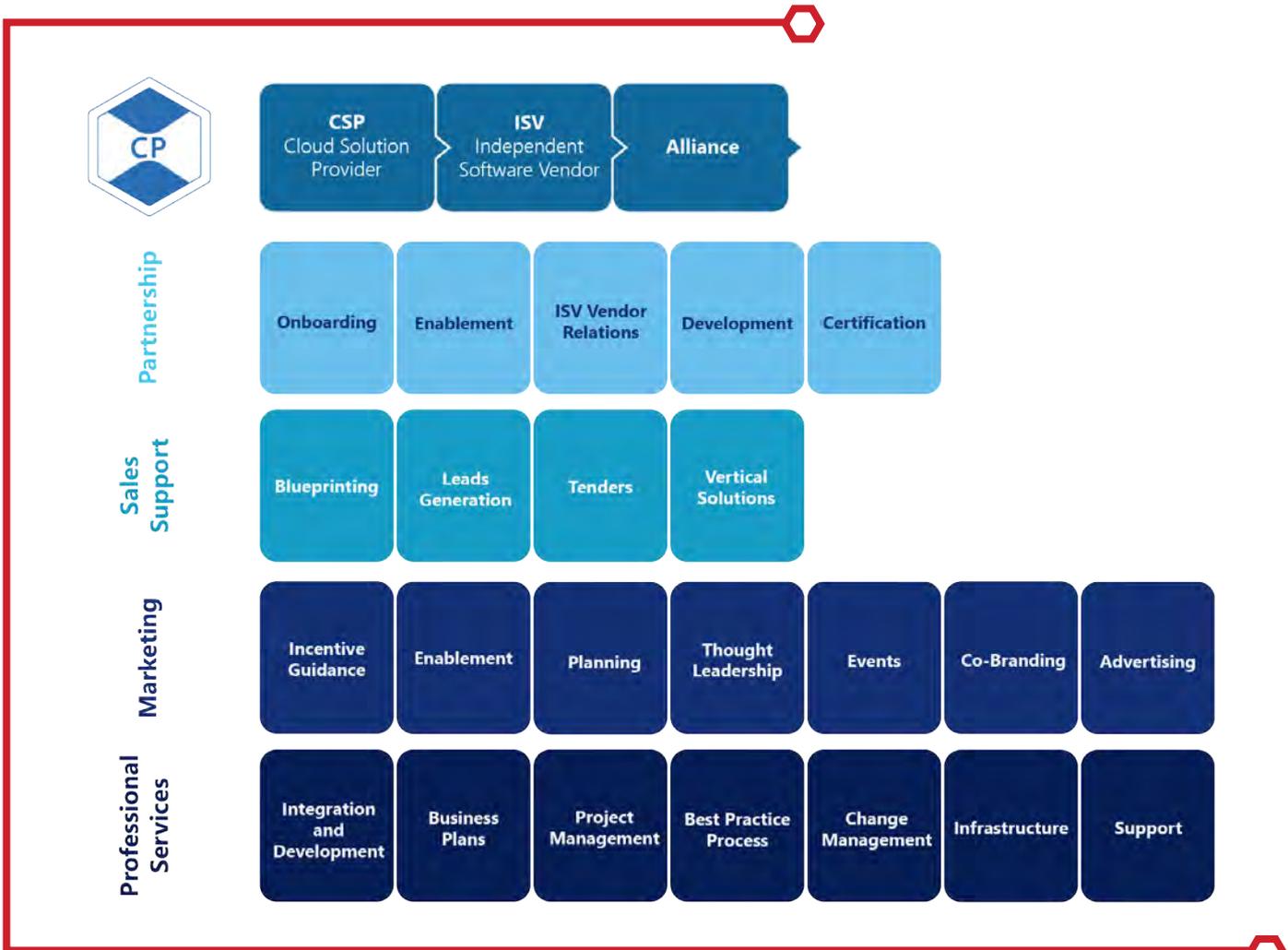
  ALLIANCE

 AccTech Botswana <small>Powered by 4sight</small>	 AccTech East London <small>Powered by 4sight</small>	 AccTech Zambia <small>Powered by 4sight</small>	 AccTech RSA Central <small>Powered by 4sight</small>
 AccTech Lesotho <small>Powered by 4sight</small>	 AccTech Eswatini <small>Powered by 4sight</small>	 AccTech Copperbelt <small>Powered by 4sight</small>	 AccTech Limpopo <small>Powered by 4sight</small>
 AccTech Malawi <small>Powered by 4sight</small>	 AccTech Mpumalanga <small>Powered by 4sight</small>	 AccTech Uganda <small>Powered by 4sight</small>	

  INDEPENDENT SOFTWARE VENDOR

 PaperLess <small>accelerating the PaperLess way</small>	 solver	 mri	 VERIPARK
 idu	 DYNAMICS Payroll INSIGHT	 Acronis	 OSA INT. <small>Multi-Channel Technology</small>
 ZAP	 TRIFOUR HEALTH	 new leaf <small>Energy Solutions</small>	 virtualpostman





The Channel Partner (CP) Cluster is 4Sight’s 100% partner-focused ecosystem. The Cluster supports and empowers an ever-expanding channel of Value-Added Resellers across Africa, the Middle East and Central Europe to distribute 4Sight’s OT, IT and BE integrated solutions to markets across the world

Contained within the 4Sight Channel Partner (CP) Cluster is 4Sight’s Cloud Distributor through the Microsoft Indirect Cloud Solution Provider (CSP) program, ISV channel and Alliance Partners.

This allows for the distribution of 4Sight’s integrated solutions and OEM partner offerings across our footprint. The offerings include Sage and Microsoft’s range of cloud applications to our dedicated partners located in the Middle East, Central Europe and Africa regions.

**Indirect Cloud Solution Provider (CSP)**

Our indirect Cloud Solutions Provider (CSP) capability through Microsoft-appointed 4Sight Dynamics Africa, allows for the distribution of Microsoft’s range of cloud applications, including Microsoft Office 365, Microsoft Dynamics 365 and Microsoft Azure, to its dedicated partners across the globe.

**Independent Software Vendor (ISV)**

Our 4Sight Independent Software Vendor (ISV) channel empowers 4Sight and our business partners to develop and grow various products and solutions for distribution to the market. The ISV channel assists our business partners with the design, implementation, optimisation, and support of the complete integrated business solution to distribution.

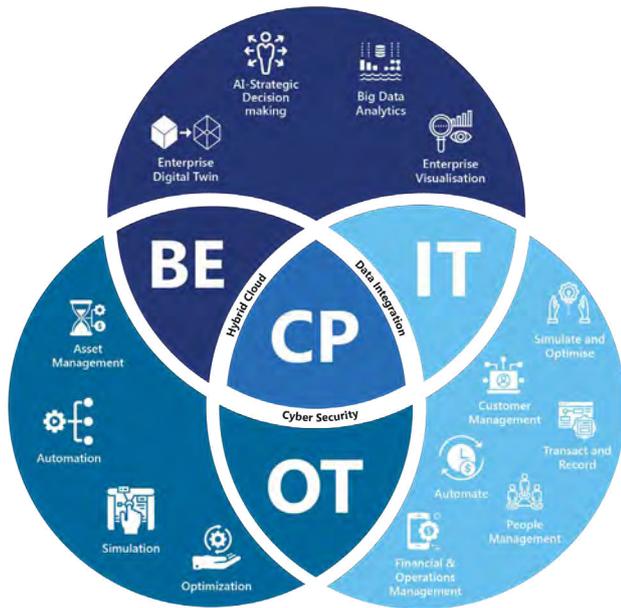
**Alliance**

Across Africa, we have successfully established an alliance strategy that drives expansion and reach for our channel business partners. The 4Sight AccTech Alliance allows for the franchising of 4Sight solutions, brand, methodologies, and business support services to independent IT companies in areas such as Eastern Cape, Free State, Limpopo, Mpumalanga, eSwatini (Swaziland), Lesotho, Namibia, Botswana, Copperbelt, Zambia, Kenya, Uganda, and Malawi.

# SECTION 8 | HOW WE CREATE VALUE



## PROVIDING INTEGRATED SOLUTIONS



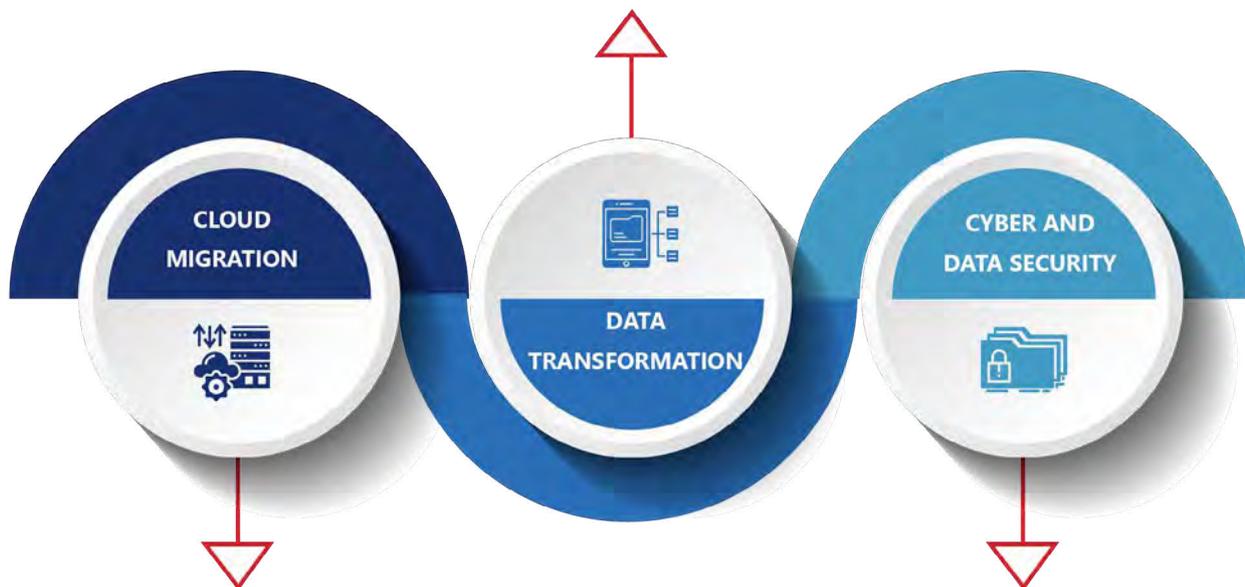
At 4Sight, we enable our subsidiaries to take advantage of various products and solutions within our Group of companies, to deliver 4IR integrated solutions to our customers.

We pride ourselves in the fact that we use our available technology stacks to create our own unique IP solutions. Through harnessing a blue ocean strategy, we are continuously creating new, fresh ideas, and adding innovative, value-add solutions that fit in our own Company, as well as our customers' environments.

As we continue to focus on accelerating the convergence of the Information Technologies (IT), Operational Technologies (OT), we deliver integrated solutions to drive technology, business, and people transformation for our partners.

## DIGITAL TRANSFORMATION ENABLEMENT

**Data Transformation** Applying a top-down approach of developing an Enterprise Data model, as well as a bottom-up approach of streaming and structuring source data that makes it easily accessible, usable and visible to our customers.



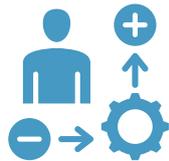
**Cloud Migration** Unlocking benefits that accelerate our customers' digital transformation journey and migrates their business and technology operations to a fully cloud or hybrid-cloud environment. This provides unlimited access to the power, scalability, and functionality of cloud computing.

**Cyber and Data Security** Applying a focused approach to ensure our customers are utilising industry leading cyber- and data-security methodologies and technologies to protect their data and information assets.

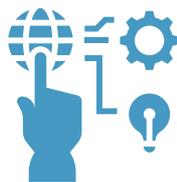
### People-focused transformation



### Customer-focused transformation



### Operations-focused transformation



### Finance-focused transformation



### Innovation-focused transformation



Empowering employees to increase efficiencies and productivity through people-centric adoption methodologies and technologies. This includes modernising our customers' workplace environments through improved communication and collaboration as well as automating business processes and workflows, so employees can focus on activities that add value.

The enablement of 'customer intelligence' to accelerate our customers' business growth in the modern digital economy. This includes transforming Customer Relationship Management (CRM), customer data management and finally customer engagement through workflow automation. This ensures all customer data and information is captured, exposed, and utilised for proactive interaction and forecasting customer needs.

We enable our customers to digitally transform their operations using best-in-class technologies. Transformation activities include asset automation, optimisation, and simulation. Our solutions include IoT, automation, systems integration, manufacturing execution systems fully integrated with ERP for real-time insights, advanced process control, prescriptive maintenance, production scheduling, digital-twin simulations solutions. Our deep domain engineering experts implement and support our various operation solutions.

We assist our customers to 'lift and shift' their ERP solutions into the cloud. This is coupled with automating all key business processes and integrating into existing operations systems to maximise business efficiency – for us, this is true IT/OT integration. Our ERP specialists support our customers by optimising their ERP architecture and maximising return on their ERP investments.

We support our customers by identifying business issues, challenges, and inefficiencies, and then developing data-driven solutions to increase business and technology efficiencies. With 'customer intelligence', we open up a new world of business-focused innovation focused on determining the optimal offerings to take to market, at the correct price to grow market share.

## Partner-focused software transformation



The Channel Partner (CP) Cluster is 4Sight's 100% partner-focused ecosystem. It supports and empowers an ever-expanding channel of Value-Added Resellers across Africa, the Middle East and Central Europe to distribute 4Sight's BE, IT and OT integrated solutions. 2020 brought about amplified support for the partners, with the implementation of 4Sight's Shared Services and cross-functional teams.



## GROUP PROSPECTS

Despite a challenging socioeconomic environment, we concentrated on growing our business, embracing rapid change, and sustaining robust relationships with our partners and customer base

4Sight is considered the digital transformation acceleration partner of choice. Our offerings enable customers to operate with more flexibility and personalisation.

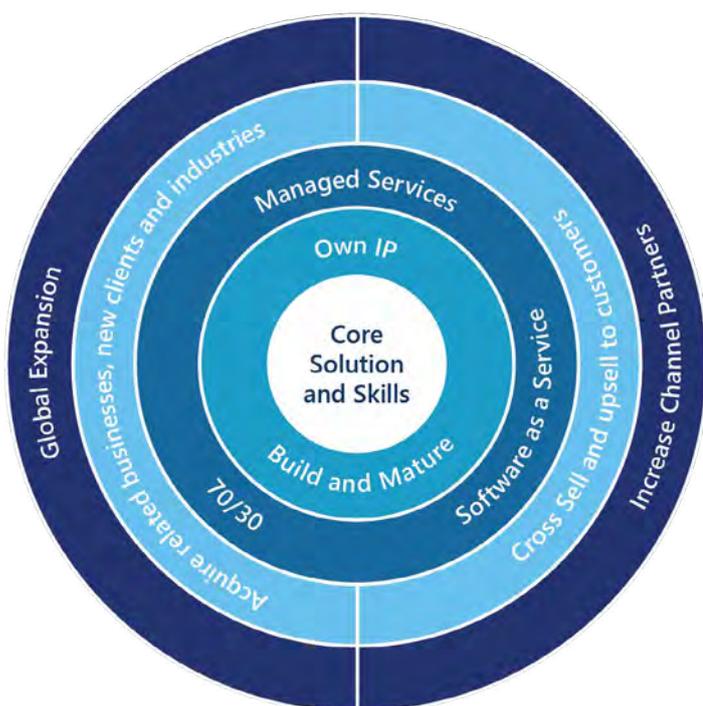
This enhances their digital capabilities and helps them to successfully transition into the Fourth Industrial Revolution (4IR), thereby future proofing their businesses.

Our goal is to quantum leap our customers into the realm of Enterprise 5.0. Please read pages 54 to 56 for more information about Enterprise 5.0.

### Our growth plan

Globally, the pandemic became a catalyst to fast-track digital transformation. We saw more decision makers requiring organisational digitalisation. As a result, these developments have increased the demand for 4Sight's digitalisation initiatives and necessitated a refinement of our go-to-market strategy to extend our distribution channels and globalise our offering.

These shifting trends have simultaneously created a market dynamic where demand for digitalisation initiatives now exceeds the supply of experienced providers.



To harness these growth opportunities, our strategic pillars include:



### OPERATIONS

- Creating more annuity services to support a 70/30 split e.g. SaaS and Managed Service offerings.



### GROWTH

- Increasing our channels to market and facilitating global expansion to drive new profitable revenue streams.



### CUSTOMER

- Monetising our customers' digital journey.
- Growing within existing customers by cross selling and upselling solutions, and new customer acquisition.



### INNOVATION

- Developing and maturing our own IP solutions and methodologies, and sustain an innovation focus, by focusing on data and its role within an organisation.



### PEOPLE

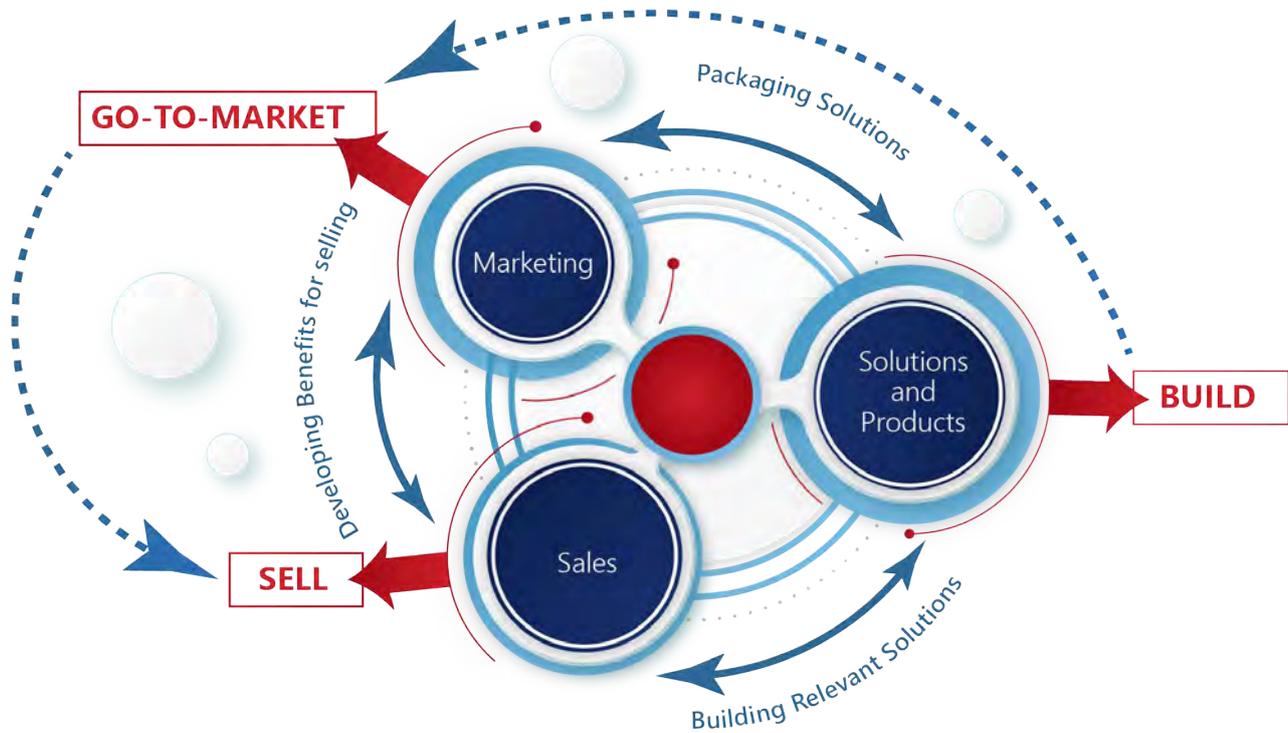
- Attracting, retaining, and building talent for the future. Building skills related to our core solutions

This updated strategic approach serves our medium-term growth engine over the next year, as we build out our customers' digital capabilities and help them successfully transition into the 4IR.

## Go-to-market strategy

By using our hybrid cloud technologies, combined with data, we help our partners make more informed decisions and future-proof their businesses through digital acceleration

Our cross-selling enablement model helps to significantly improve returns by scaling offerings and synergies from our subsidiaries to create and maintain our competitive advantage. 4Sight follows a very structured methodology to create its solutions and offerings for the market to be fit for purpose and always scalable.



Our go-to-market strategy of providing key 4IR technology solutions is executed via direct and indirect channels. This blended model creates a balanced go-to-market strategy and significantly mitigates risk for 4Sight. Our direct channel services 3000 customers, while our indirect channel model includes 650 partners enabling us to extend our reach to multiple countries and service customers globally.

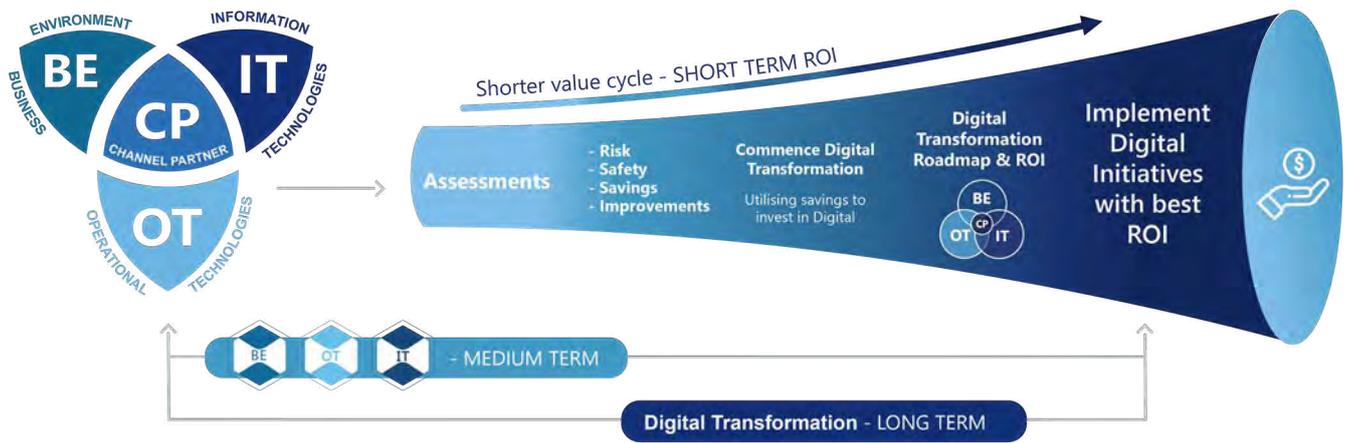


## Direct market channel

We sell directly to our customers using strategic sales and marketing initiatives. We have segmented our direct market channel customer base into three tiers and estimate a market opportunity of ±R3 Billion across all tiers related to our offerings.

4Sight's Digital Transformation approach also assist customers to realise value throughout the digital journey and creating sustainable roadmaps that support a self-funding digital transformation journey.

## Digital transformation approach



## Indirect market channel

Our indirect market channel comprises a blended model that includes:

Partners and franchise providers	Alliance partners and 4Sight branded franchise providers.
Independent Software Vendors (ISV)	Independently branded operations that extend 4Sight offerings to market.
CSP Partner Network	A large network of tech SMEs that sell 4Sight offerings.



BUSINESS  
ENVIRONMENT

## BUSINESS ENVIRONMENT (BE) CLUSTER

### Business opportunities

Customers are embracing digital, agile, and intelligent systems through the power of cloud technologies to optimise and modernise the business environments. The Cluster's significant cloud business growth continued in 2021.

Successes resulted in even more references to expand its strategy of customer-first growth into the Cluster's segmented customer base. The Cluster's Continuous Assessment offering disrupted the market in 2021 as it replaced the managed services offerings with a truly scalable platform. An established partnership with a global Internet of Things (IoT) provider allows the Cluster to take a scalable, stable, and cost-effective commercial IoT solution to market, with rapid growth expected.

Commercial IoT and how we use OT know-how in the commercial space will open new revenue streams across the Group.

The IT Cluster applies the solutions and innovations from the BE Cluster to differentiate itself in the market. Leveraging the CP Cluster with over 650 partners, BE has true scalability in taking its offerings to market.

### Cluster expertise

The Cluster's customer engagement methodology starts with various assessments to identify opportunities in order to deliver measurable benefits and savings during the digital transformation. This process creates a self-funding roadmap where savings from the initiative funds the next.

The IT Cluster receives valuable support through its strategic alignment with OEM partners to aggressively drive employee specialisation and discover opportunities to scale solutions.

A strategic partnership that leverages intelligent bot technology effectively scales this approach by providing continuous and automated investigation, assessments, monitoring and proactive reporting and risk mitigation. Continuous assessments provide suggested improvements to realise additional savings in an organisation's operational and IT environments.

The Cluster helps customers maximise the power of the cloud by optimising and modernising their environments with solutions, applications and business processes that drive business intelligence through a structured source system and an independent and scalable enterprise data strategy. After implementation, these customers also require continuous monitoring and managed services for proactive support and further optimisation.

### Solutions set

The Cluster delivers innovative solutions using Microsoft technologies and platforms. The Data Enablement team assists organisations in building an enterprise data strategy that is scalable and source system independent, while solving one business problem at a time.

## The Business Environment (BE) Cluster's partners include:

### Strategic partnerships

Strategic Partnerships with a number of Vendors enable us to leverage their best-of-breed products coupled with our own substantial IP, to deliver various innovative solutions across verticals and markets.

	<p><b>Bidvest</b></p> <p>The BE cluster formed a joint IP development with Bidvest Alice to create a new bot called MIA that launched in 2021 and will provide massive improvements in terms of scalability. MIA performs infrastructure and workplace assessments in seconds and make improvement suggestions. This is done in real-time and 24/7.</p>
	<p><b>FastComm</b></p> <p>With this new partnership, we expect big growth in the commercial market, especially in the property market. The partnership with FastComm is formed around commercial IoT, with a viable solution for the commercial market. FastComm have rolled out solutions with the likes of Walmart, showing that it is scalable and stable.</p>
	<p><b>Microsoft</b></p> <p>As a Gold certified partner of Microsoft since 2006, in the Business Environment area we continued to build on the strong partnership. In 2020, the BE cluster specifically focused on building our own IP solutions, using Microsoft Azure as a technology platform.</p> <p>With the help of Microsoft and their development team, we created a new solution called 4Teams Calling, integrating the whole call centre with Microsoft Teams. 4Teams Calling integrates with any CRM system, so that you can call directly out of your CRM system, driving customer intelligence. We also used Microsoft Azure to develop a process management solution called 4flow.</p>





INFORMATION  
TECHNOLOGIES

## INFORMATION TECHNOLOGIES (IT) CLUSTER

### Business opportunities

Customers with back-end, mostly on-premises and siloed systems for ERP, CRM and HR and Payroll are embracing the modern digital data economy and moving to integrated, hybrid deployments of their IT environment.

The Cluster plans to focus on very specific industries and micro verticals in 2022, assisting customers and prospects with best practices in typical high-risk implementations to limit risks. Packaging the Cluster's IP and selling through the Channel Partner Cluster delivers low-risk expansion into much wider geographical markets. A broader digitalisation plan ensures that the current solutions expand to address additional or new requirements and to streamline business processes.

### Cluster expertise

For the past three years the 4Sight IT Cluster has successfully introduced customers to digital transformation via easy "lift and shift to cloud" products. These solutions enable customers to utilise connected services in the cloud environment and enable "work-from-anywhere" capabilities via cloud-based, back-office IT solutions that provide location independence and anywhere operations.

### Value proposition

The Cluster holds the intellectual property (IP) and experience to enable customer-first growth within its segmented customer base. It has the necessary people and skills and is certified competent across all the products we sell by all our OEM partners.

The Cluster focuses on process digitisation around IT solutions and digital transformation acceleration using hyper automation and process optimisation through continuous monitoring.

The IT Cluster works with established and respected OEM partners at the forefront of provisioning cloud-first, fully integrated solutions.

### Solutions set

Our solutions embed the newest technology including AI, Machine learning (ML), Robotic Process Automation (RPA), intelligent bots, and intelligent auditing tools in our packaged products, which brings high-tech integrated solutions to the wider, small-medium enterprise (SME) market segment.



## Strategic partnerships

The IT Cluster has long-standing Partnerships with major market players, leading technology companies to strategically take our ERP, CRM and HR and Payroll solutions to market.

### The Information Technology (IT) Cluster’s partners include:

	<p><b>Microsoft</b></p> <p>Microsoft is a key partner for the IT cluster. Microsoft’s technology offering is crucial in 4Sight’s solution value chain across all our market segments. Microsoft offers great cloud Payroll and ERP solutions such as Dynamics 365 and Business Central.</p>
	<p><b>Sage</b></p> <p>We have been a Sage partner for the last 34 years, since inception (Zitzke Elliot Consulting). In 1998 we became Premier Partners (highest tier) and today Sage is considered one of our most important partners, especially in the IT cluster. The Sage enterprise suite plays a massive roll in the IT Cluster, including Sage X3, Sage 300 People, Sage X3 People, Sage 200 Evolution, Sage 300 Cloud Payroll, Sage Intacct, Sage Business Cloud Payroll, and Sage CRM.</p>
	<p><b>Acumatica</b></p> <p>Acumatica is the world’s fastest-growing provider of cloud ERP, with the industry’s highest customer satisfaction rating trusted by companies across diverse industries. It is easy to use, full featured, and mobile software. Acumatica allows an unlimited number of users, ensuring that everyone can have a near real-time view of the business anytime, anywhere.</p>





OPERATIONAL  
TECHNOLOGIES

## OPERATIONAL TECHNOLOGIES (OT) CLUSTER

Customers realise the benefits of quality instrumentation automation, optimisation and simulation solutions that allow assets to continue operating safer, greener, longer, and faster, with the added ability to view real-time performance metrics on smart-end devices.

The OT Cluster delivers multiple business benefits with over 25 years of domain experience and a highly qualified resource team, and a portfolio of leading strategic technology partners.

### Value proposition

The OT Cluster delivers value to customers in the Mining and Manufacturing sectors by implementing optimisation solutions for the entire supply chain.

### Solutions set

Cloud-based solutions, virtual projects, smart-automation, digital-twin, and real-time industry applications with process views further reduce time and costs. Best-in-class digital solutions embedded with AI and Machine Learning (ML) drive profitability and maximise ROI.

These solutions also provide digital transformation opportunities for both local and international clients, without the need for costly travel.



## Strategic partnerships

We hold strategic Partnerships with key Vendors to enable us to bring industry-leading solutions to our customers in the Operational Technologies space. These include:

	<p><b>AspenTech</b></p> <p>AspenTech is the world's leading industrial digital transformation software provider. Its software portfolio incorporates artificial intelligence and machine learning. 4Sight BluESP is AspenTech's partner in Africa.</p>
	<p><b>Simio</b></p> <p>As the African distributor for Simio, a leading software simulation technology, our subsidiary, 4Sight SET, is positioned to bring simulation and scheduling technology to industrial customers across the continent. Simio enables 4Sight SET to create accurate digital twin models that enable companies to focus on the most important areas for digital transformation.</p>
	<p><b>Schneider Electric</b></p> <p>Schneider Electric provides energy and automation digital solutions for efficiency and sustainability. As a Schneider Electric Certified Alliance Partner, 4Sight AGE has completed rigorous certifications in their Schneider Electric's solutions and products to ensure successful system implementations.</p>
	<p><b>Rockwell Automation</b></p> <p>Rockwell Automation is one of the leading suppliers of automation and information solutions. 4Sight AGE is a Rockwell Automation recognised system integrator.</p>
	<p><b>Siemens</b></p> <p>Siemens is a global technology company prominent in the diversified engineering space, providing products, systems and solutions across the electrification, automation and digitalisation value chains. 4Sight AGE is a Siemens Solutions Partner, working closely with Siemens to make its comprehensive offerings available to the industrial market.</p>





CHANNEL PARTNER

## CHANNEL PARTNER (CP) CLUSTER

### Business opportunities

Many organisations in Africa either prefer or insist on procuring solutions from citizen organisations as opposed to foreign vendors. This practice makes it difficult to service customers in countries where this practice is now entrenched in supply chain policies.

Through our channel of partners, 4Sight can continue to expand the offerings from the BE, IT and OT clusters via the CP Cluster to ensure continued growth for the group.

Cloud solution adoption through the 4Sight channel has been one of the stand-out features during the last year as organisations adapted to COVID 19 working conditions. As it did in 2020, the CP Cluster remains a significant contributor to help 4Sight achieve its revenue targets.

### Strategic partnerships

The CP Cluster builds on and continues to form strategic partnerships with best of breed vendors from across the globe. These include Microsoft, Sage and PaySpace:

### Cluster expertise

Our ability to balance a partner’s needs for both hybrid-cloud and full cloud solutions, has made 4Sight the distributor of choice in the regions we serve. And through strategic initiatives with our technology suppliers and supplementary ISVs, this trend continued in 2021.

### Value proposition

The CP Cluster plays an integral role in delivering best-of-breed vendor solutions to an ever-expanding channel of technology partners across the African, Middle East and Central Europe regions.

	<p><b>Microsoft - Cloud Solution Provider</b></p> <hr/> <p>Our indirect Cloud Solutions Provider (CSP) capability through Microsoft appointed 4Sight Dynamics Africa allows for the distribution of Microsoft’s range of cloud applications, including Microsoft Office 365, Microsoft Dynamics 365 and Microsoft Azure, to its dedicated partners across the globe.</p>
	<p><b>Sage</b></p> <hr/> <p>We have been a Sage partner for the last 34 years, since inception (Zitzke Elliot Consulting). In 1998 we became Premier Partners (highest tier) and today Sage is considered one of our most important partners.</p>
	<p><b>PaySpace</b></p> <hr/> <p>PaySpace are the leaders in true cloud-based Payroll and Human Capital Management software solutions, providing new, improved solutions to help businesses operate in the modern era where managers and employees have access to information at the touch of a button.</p>

## SECTION 9 | MARKET OVERVIEW



### THE WORLD WE OPERATE IN

The ICT Sector is constantly innovating and evolving. As a technology vendor, 4Sight aims to address new emerging market trends, contributing to the economy by providing progressive, sustainable technology and digital solutions to our partners and customers, in order to better their lives and those around them.

### MARKET TRENDS IN 2021



#### Remote work and digital transformation

Remote working became a normality and has continued to be a topic that resonated with technology vendors to sell digital solutions. Since the COVID-19 pandemic, a large part of our success came from the fact that we were well positioned to deliver this value to customers and that we acted quickly and decisively, enabling their businesses with Cloud-based solutions and offerings that supported them on their digital transformation journey, irrespective of where they were operating from.

2021 saw an acceleration in digital transformation, where customers realised that in order to stay relevant, grow and succeed, they needed to start digitising. Coupled to the provision of the right technologies, 4Sight utilises a 9 step model, where we first understand the customers' business and strategy and then we assess the environment, in order to achieve all the insight and foresight to be able to advise them on their transformation journey. And with the specific domain skills and many years of relevant experience across multiple industries, this mitigates the transformation risk for our customers.



#### Cloud computing

Local cloud solutions enable organisations to ensure business continuity. In 2021 4Sight has emphasised the importance of moving our customers to the cloud, with cloud migrations being a number one priority when taking our customers on a journey to Enterprise 5.0. Moving to the cloud is inevitable for all companies wishing to get the most out of their business – providing agility and flexibility.

Driven by motivations to save costs, reduce complexity, optimise Internal operations, increase agility, scale to meet demands, and prepare for innovation, 4Sight enables the optimisation and modernisation journey, using Microsoft Azure as the Cloud Platform. We helped our customers with this drive in 2021 and our overall Microsoft cloud performance for the year having grown by almost 40%, clearly reflects the efforts.



#### Cyber security

Endpoint security is a primary focus for IoT technology, with cyber-attacks taking centre stage. In response to security threats, our Black Fog solution, within the BE Cluster puts a stop to unauthorised data exfiltration.

Black Fog protects companies from global security threats such as ransomware, spyware, malware, phishing, unauthorised data collection and profiling. Its software monitors enterprise compliance with global privacy regulations and prevents cyberattacks across all endpoints.

Our OT Cluster partners with the likes of Nozomi Networks to provide essential cyber security solutions to the world's industrial, OT, and IoT organisations. With Nozomi, customers can get a unified cyber security solution that offers visibility and monitoring at scale across your entire infrastructure.

And our CP Cluster more recently partnered with Acronis, an easy-to-use and robust online backup solution for protecting files and disk images in the cloud, it also provides protection against ransomware and malicious URL protection. Acronis Cyber Protection Cloud is the only solution that natively integrates cybersecurity, data protection and management to protect endpoints, systems and data.



## The desire for end-user simplicity

End User simplicity is a key driver. We all want ease of use without a continual struggle or needing ongoing support. 4Sight strives to get our customers to a point where they can predict the future by using real-time insights.

Another key aspect to consider in terms of end-user simplicity is our desire to help our customers move away from legacy systems through continuous evaluation of a customer's environment to recommend modern systems and applications. As a company, we focus on a holistic view to transforming our customers, instead of focusing on specific areas. We provide end-to-end solutions, focusing on the right apps that unlock value quickly and at the same time, that are transparent to our customers.

A primary example is to make sure that every Teams application has the right extensions in place for seamless accessibility during day-to-day work. When modernising applications, it is important to bring the application to where the customers' employees work, and to that end, making sure our customers use Microsoft Teams is critical. Azure is a key component of the platform to drive modernisation. Our customers can choose to migrate, modernise, or build cloud native solutions dependent on the identified goals and how we collaboratively assess your application portfolio.



## Automation

Automation of processes and operations are playing an ever-increasing role in data-driven decision making. 4Sight's early emphasis on automation has made us a leading provider in this area.

Our use of artificial intelligence to improve efficiencies and business processes can be seen in many of our own unique offerings across all Clusters. A primary example of this is our 4flow solution. 4flow is an intelligent, mobile, cloud-based BPM solution that helps maintain control of your employees and ensure that rules and policies are applied.

The software is system driven, paperless, and completely automates your processes. With 4flow, discover your business processes using an analytical discipline for

discovering, monitoring, and improving processes with an objective view using event logs readily available in today's information systems. And through the use of Power Apps, we managed to automate several of our customers' manual processes of capturing information, with simple canvas apps.

In the OT Cluster, one of the key focus areas of Asset Automation, focuses on Process Automation Systems, mostly in the mining industry, whereas our IT cluster, in partnership with Microsoft, brings process automation to business process management (BPM).



## People with technology

At 4Sight we have designed solutions in support of Industry 5.0, where people need to live alongside robots and need to be upskilled and re-skilled to utilise technology to better their lives.

We believe in the importance of personalisation to succeed with digital transformation – effectively, using three foundational success factors that must be put in place when integrating 4IR technologies into the business to create the Enterprise 5.0:

- **The Executives and board must buy into—and, most importantly, lead—the process.** Digital transformation must be a key performance indicator across the executive suite and listed as a corporate strategic objective. At all times, directors and the C-suite must be seen to be driving the digital agenda.
- **Middle management must be brought on board.** Middle managers need to see what potential opportunities exist when the technology is implemented correctly and supported by management. A practical approach is key, using domain experts to show managers exactly how 4IR has been implemented in other organisations and the benefits achieved.
- **An inclusive adoption and change management programme must be put in place.** An inclusive education and awareness programme is the first part of the solution, showing how the technology will assist the workers to perform better and thus make their jobs more secure. In tandem, a skills development programme should be run to provide them with the skills they need to use the technology, or to equip them for new roles if required. Training is equally critical.

The golden thread that connects these three essential steps is the notion of personalisation—it is only by adding the human touch that the efficiency and automation promised by the 4IR technologies can be achieved on a sustainable basis. The Enterprise 5.0 is one in which people and technology work together to serve the business better, and ensure it competes successfully.

## Internet of Things (IoT)

4Sight's Commercial IoT solution in Partnership with FastComm, 4IoT assists our customers to connect anything. It is an industry agnostic solution that scales according to our customers' needs, providing customers with customised IoT solutions, fast integration and deployment, and improved business efficiency. The platform enables businesses to digitally transform their operations by connecting the physical world with a digital one. Our smart connected equipment monitoring solution provides our customers with the peace of mind that they can easily and conveniently manage and monitor their equipment from anywhere, at any time and ensure no operational down time.

## Simulation and digital twins

Our Operational Technologies' Asset Simulation capability specialises in simulation modelling, a way to create an exact mirror image of your business processes. This mirror image, or "digital twin", behaves the same way as the current system, but it all takes place within a virtual environment. This digital twin is a virtual representation that serves as the real-time digital counterpart, a major aspect in the IoT environment, with companies increasingly looking for a solution that helps predict the future in order to make informed decisions. Our OT cluster's simulation division focus specifically on simulation modelling in the mining industry—creating an exact mirror image of your business processes and allowing you to test scenarios before investing capital or implementing the solution.

## AI and machine learning

Companies are looking to embrace Artificial Intelligence (AI) and Machine Learning (ML) in some form and means as these technologies promise to deliver real business value, where AI can operate 24x7 without interruption or breaks no downtime. AI will augment the capabilities of different individuals. Plus, using AI alongside other technologies means we can make take decisions and carry out actions quicker. AI and ML technology can be used to analyse data much more efficiently to produce actionable insights.

So AI can become smarter over time, thus increasing a business's efficiency. 4Sight offers such technologies in our 4MIA solution, a digital agent that monitors, investigates and advises on risks and opportunities, providing recommendations. 4MIA assesses and analyses the environment and determines areas where value-enabled initiatives and cost savings can be realised.



## DIGITAL MARKETING

As far as our marketing efforts throughout the year were concerned, we positively navigated increasing digitisation and a changed business environment, leveraging technology and platforms that worked for us in order to elevate our value proposition but still maintain human connectivity, engagement and contact.

### Website presence



A big project that came to fruition in 2021 was the rollout of one, consolidated [www.4sight.cloud](http://www.4sight.cloud) website – taking our existing footprint of 9 entities across 41 domains and sites and moving them to a single one, reflecting the full 4Sight business and the collective personality, aligned to the unified 4Sight brand for consistency and cohesivity. This now clearly reflects our overall narrative of encouraging organisations to take a quantum leap to Enterprise 5.0 and the extensive capabilities of the 4Sight Group and Clusters.

### Marketing automation



We standardised on a new marketing automation platform, whereas before there were multiple different marketing tools adopted. This has helped 4Sight deliver our campaigns and content, automating repetitive marketing tasks such as lead generation and contact segmentation. With great lead scoring and audience intelligence, we enjoy control and visibility into all marketing efforts across the Group while providing a seamless 4Sight customer experience.

### Social media channels



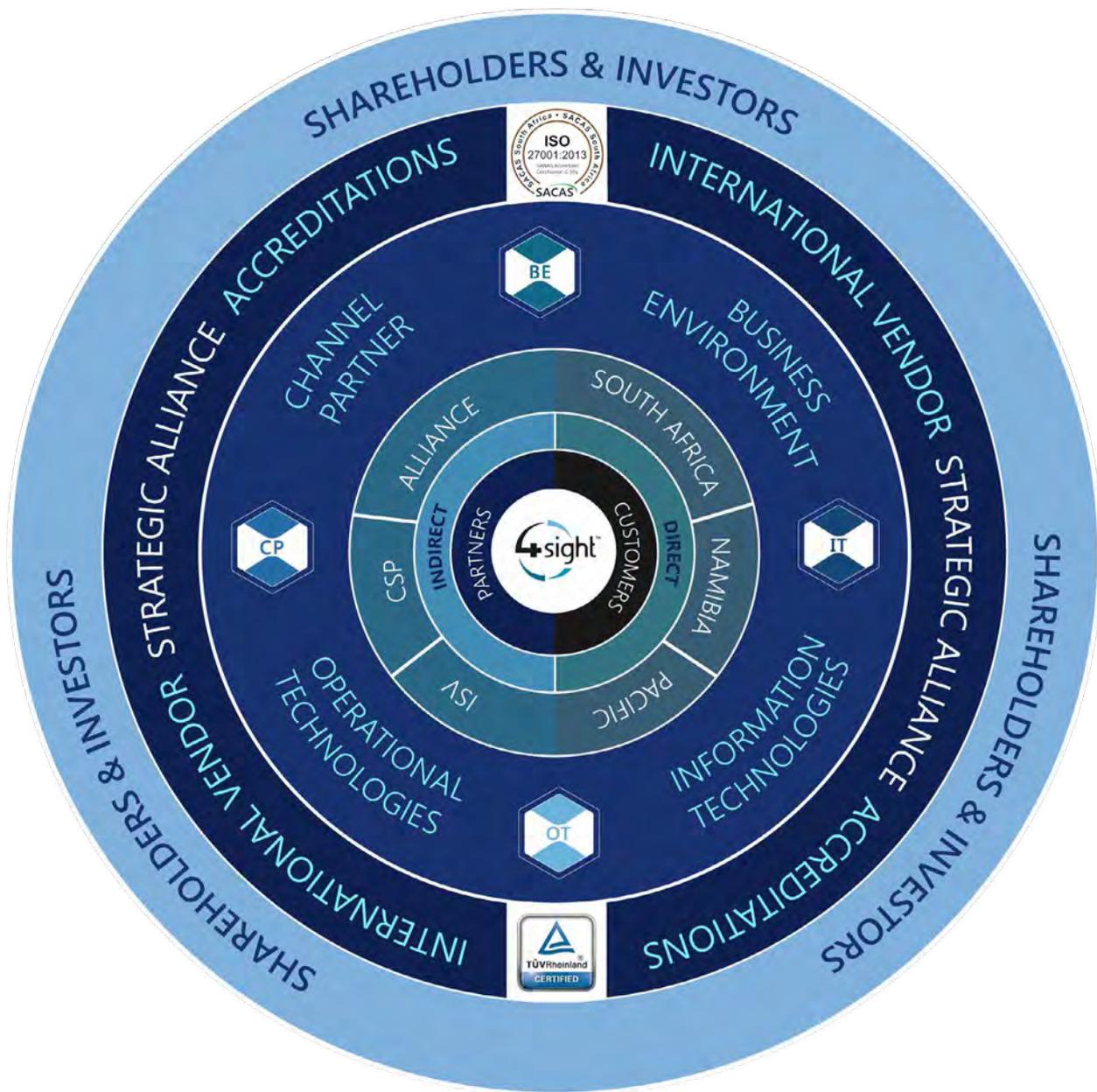
We established strong social media channels. With a distinct focus on the 4Sight Holdings LinkedIn and Facebook platforms, as well as YouTube for our video content, we concentrated our efforts on sharing content on these channels only for our relevant target markets. We strengthened the visibility of our PR efforts, blog articles, our vendor accolades, events and campaigns as well as driving the awareness of our innovative solutions and achieved a level of consistency on posting frequency. Ultimately, we also aligned the brand across the historical, 4Sight subsidiary accounts, to have continued leverage of their own well-established connections for their verticals and solution areas.

### Live interactions



Although most efforts were focused around digital delivery, on the events side we did not want to lose sight of the power of human interaction and experience. We went ahead, very successfully with Converge in October, a series of targeted, in-person customer events held at our newly built Envisioning Centre - delivered to the mining and manufacturing sectors as well as two pitched for other industries. Here, we showcased how 4Sight could deliver value right across the supply chain, specific to those industries, using our 4IR technologies. It was well received and well attended and fortunately, we generated invaluable leads from this Converge customer event.

## SECTION 10 | OUR KEY STAKEHOLDER GROUPS



Stakeholders	Focus
<p><b>Customers and partners</b></p>	<p><b>Customers</b> - we service and retain our customers across multiple industries, through taking them on a digital journey using our 4IR technologies and unique value proposition – keenly understanding their businesses and providing a good customer experience, moving them to an Enterprise 5.0 company.</p> <p><b>Partners</b> – 4Sight has an ever-expanding channel of Value-Added Resellers across Africa, the Middle East and Central Europe to distribute 4Sight’s OT, IT and BE integrated solutions to markets across the world.</p>

<p><b>Direct and indirect channels</b></p>	<p><b>Direct</b> - through our regional presence and our Cluster business models we directly service our customers.</p> <p><b>Indirect</b> - we scale through our Indirect Channel, where we extend our reach through a Channel of Partners throughout Africa, Middle East and Central Europe.</p>
<p><b>Channel partners and regions</b></p>	<p><b>CSP</b> - our indirect Cloud Solution Provider (CSP) capability allows for the distribution of Microsoft's range of cloud applications, including Microsoft Office 365, Microsoft Dynamics 365 and Microsoft Azure, to its dedicated partners across the globe.</p> <p><b>ISV</b> - empowers 4Sight and our business partners to develop and grow various value added products and solutions for distribution to the market.</p> <p><b>Alliance</b> – the Alliance model allows for the franchising of 4Sight solutions, brand, methodologies and business support services to independent IT companies in various locations.</p> <p><b>Regions</b> – having regional presence in South Africa, Namibia, with a view to expanding into Pacific and America as well, 4Sight offers its solutions directly to the market.</p>
<p><b>Clusters</b></p>	<p>4Sight comprises a unique amalgamation of our subsidiaries into four distinct business Clusters that address the needs of key technology verticals.</p> <p><b>These include BE – Business Environment, IT – Information Technologies, OT – Operational Technologies and CP – Channel Partner</b></p>
<p><b>International vendor   strategic alliance accreditations</b></p>	<p>We hold strategic partnerships with a number of vendors that enable us to deliver leading technology solutions to the market.</p> <p>Demonstrating our commitment to the highest levels of quality and compliance, we hold ISO 27001:2013 certification for Information Security Management Systems (ISMS), as well as ISO 9001:2015 certification for a quality management system (QMS).</p>
<p><b>Shareholders and investors</b></p>	<p>We value the investment made into 4Sight by the Shareholders and Investors – who help ensure the ongoing implementation of the 4Sight strategy to deliver on growth and success.</p>

# CHAPTER 5 | VALUE CREATION

## SECTION 11 | ENTERPRISE 5.0: CHANGING YOUR ORGANISATIONAL DNA

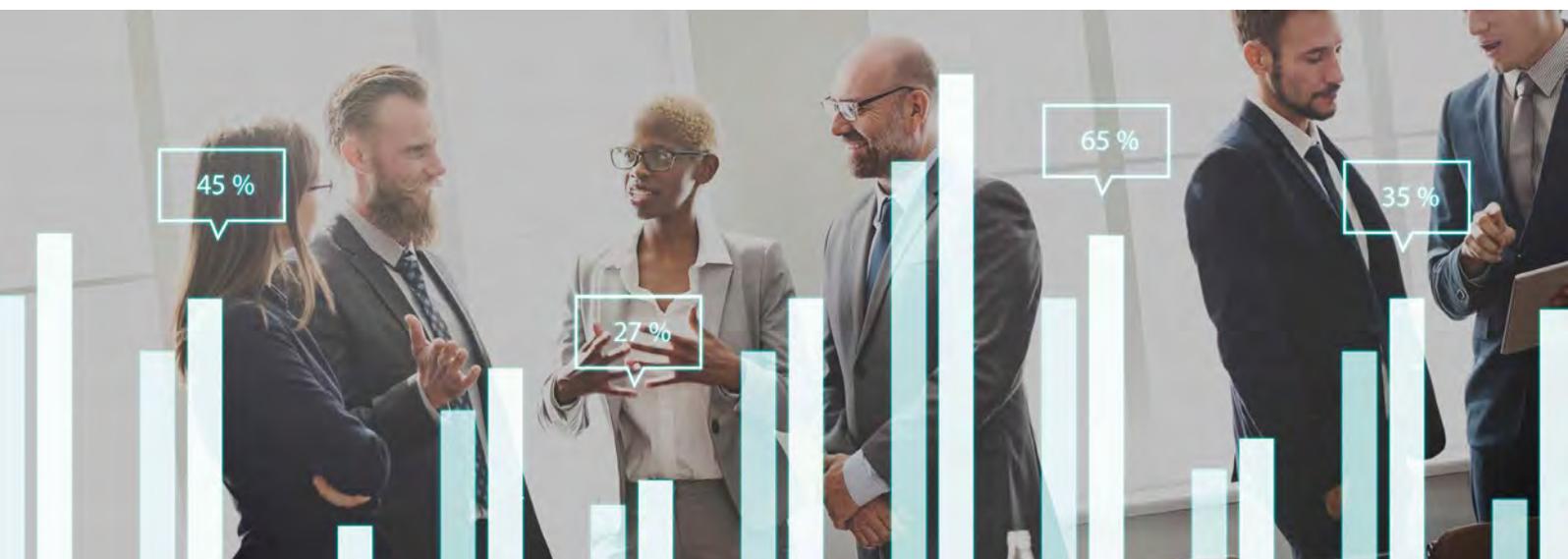
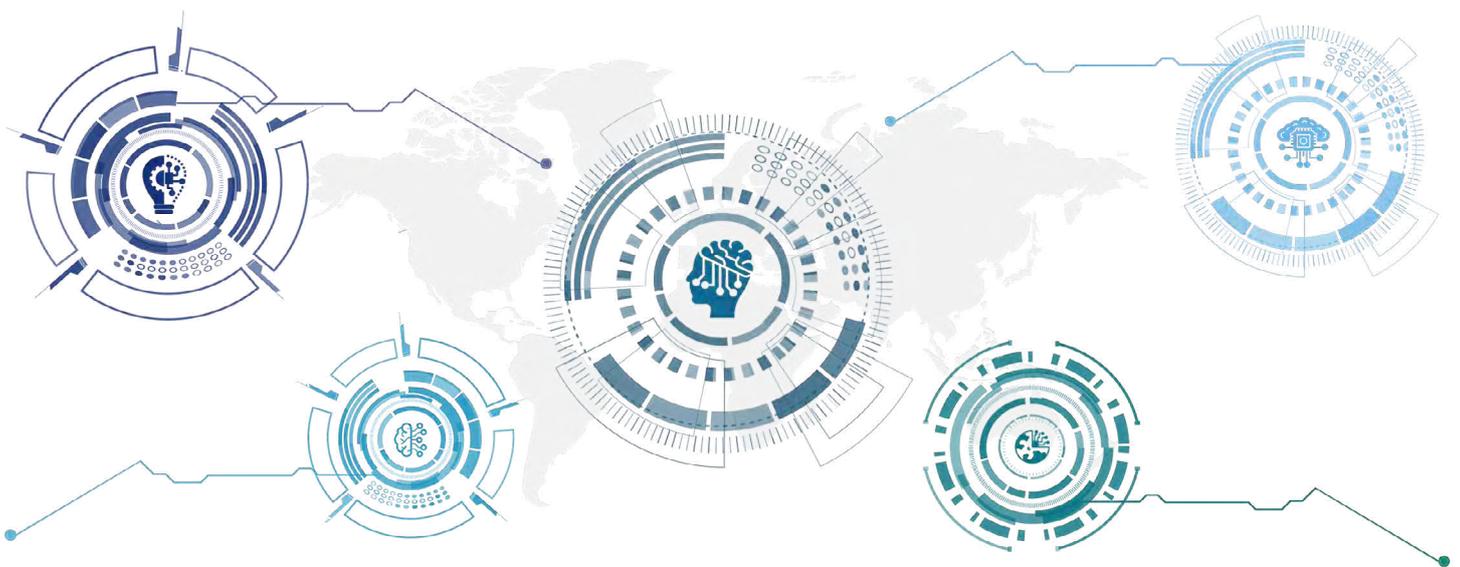
### INTELLECTUAL CAPITAL

To be considered a true Enterprise 5.0 organisation requires a journey of digital transformation. Where the organisation thinks and operates beyond technology but looks at how digitalisation impacts people's behaviour and corporate culture.

The goal is for technology to support humans, not to supersede them. Enterprise 5.0 personalises technology to satisfy the customers' journey. Industry 5.0 is

designed to leverage the advancements of technology whilst balancing efficiency, productivity and enabling digitisation for personalisation.

Today's business environment requires the free flow of data. Data needs to be stored safely where it can be processed using artificial intelligence, machine learning and analytics. The goal of such analysis is to gain insight and foresight to guide decision-making. This approach enables data and new technologies to amplify an organisation's workforce to thrive in the modern digital economy.

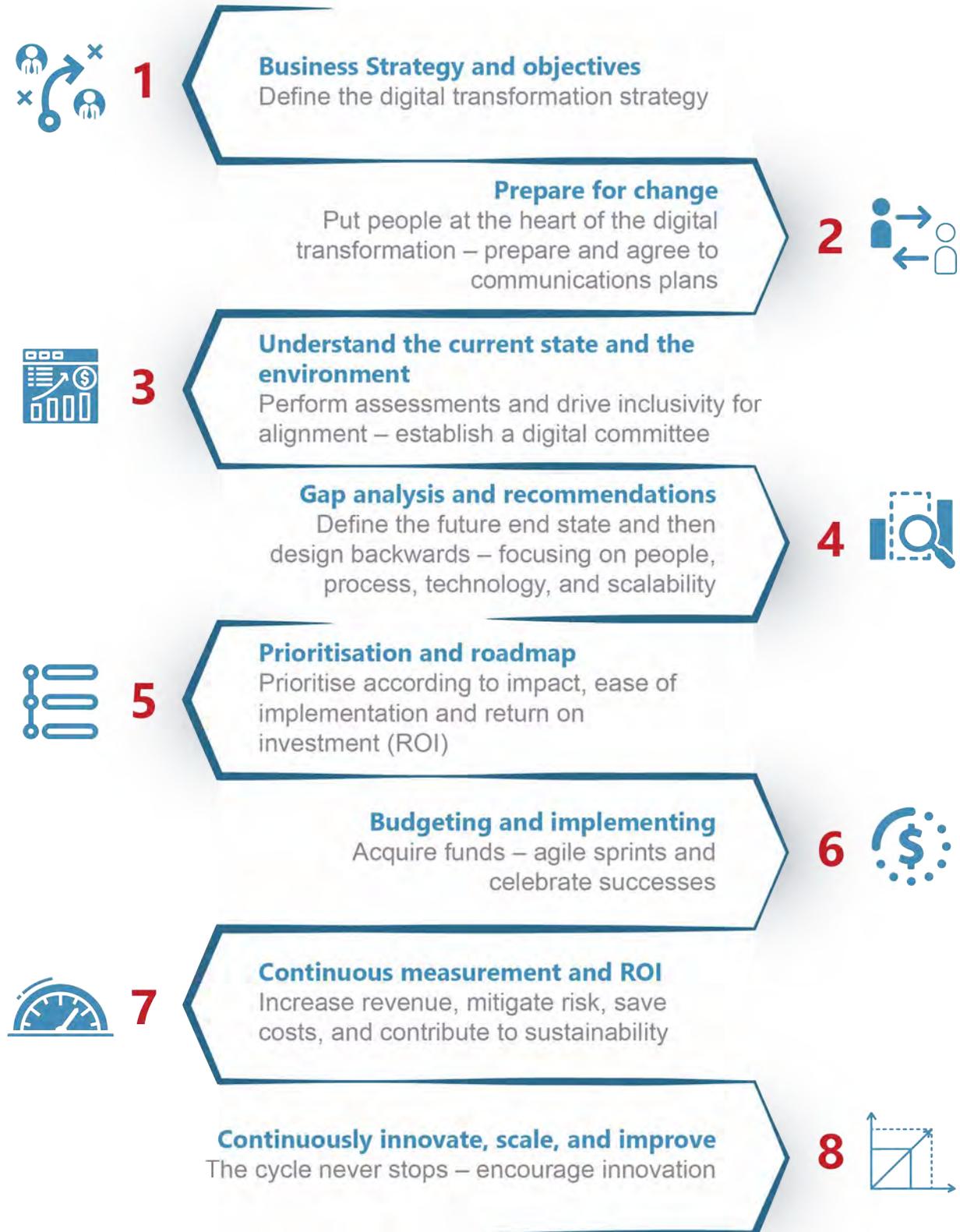


# Digital transformation strategy for 5.0

## Adoption, change and communication

By using Enterprise 5.0 technologies, companies adopt new ways of thinking and change the way they do things to enhance effectiveness, efficiency, improve customer satisfaction and create value.

### The following typical steps are relevant to build an Enterprise 5.0 focussed organisation



Most companies rely on the below building blocks to create value:



### Innovation

- Innovation is the creation, development and implementation of a new product, process, or service, to improve efficiency, effectiveness, and competitive advantage.
- To create value, innovation requires a customer focus.
- Innovation is typically seen as the lynchpin of differentiation but, in Enterprise 5.0, the focus is less on producing new products and services, rather it's on repackaging existing offerings and reinventing the go-to-market strategy. An example of this is to enable existing processes to support a distributed workforce by creating a platform that provides a single interface for all the systems and tools, not to create new process software.



### Technologies

- The technologies underpinning Enterprise 5.0 enable companies to manage and monitor employee output, as well as ascertain which technology is used by that employee to execute the output.
- Our toolsets and technologies enables change management and adoption to move from traditional “soft” measures in operation into a “measurable” one, ensuring a return on investment and identifying improvement areas and training opportunities.



### Finance

- Finance is the heartbeat of any company and one of the key constituents of any solid decision-making process.
- CxOs want real-time information to make better decisions faster, whereas the typical finance processes take place long after the fact, usually at month end. We can already achieve near real time. By integrating the multiplicity of information and operational systems stacks, and using machine learning and artificial intelligence, real time is achievable.
- The management of cash flow is critical for companies. Most seek flexible models for the technologies that underpin their move to Enterprise 5.0. Our philosophy is to move customers away from traditional licencing models and rather opt for pay-as-you-go models instead, ultimately including a migration onto the cloud which will see all, or a large proportion, of the IT infrastructure, move away from the capital balance sheet onto the operational one.



### Operations

- In the Enterprise 5.0 world, an important goal is to integrate the operational systems with all the other systems. A big drive here is to automate and optimise the processes intelligently to add value and realise benefits.
- We use digital twins to help companies visualise the end-to-end identify constraints where it would make sense to digitise and automate. The digital twin spans the information technology and operational technology landscapes, ensuring we visualise the converged world.



### Customers

- All organisations need to engage with their customers.
- Successful companies focus on customer satisfaction because retaining existing customers is vital to ensure additional sales. This requires a long-term approach and a willingness to go on a “customer journey”.
- A good customer experience that solves their problems is vital. We have developed software to help customers map their customer journey.

## SECTION 12 | PEOPLE



### EMPLOYEE PROFILE

	2021	2020
Total workforce	335	329
Percentage of employees who are deemed previously disadvantaged (%)	24%	25%

### DEVELOPMENT AND TRAINING

	2021	2020
Total number of hours trained (including internal and external training interventions)	18 972	467
Employee training spend (R)	5 169 583	1 666 073



# CHAPTER 6 | CORPORATE GOVERNANCE

## SECTION 13 | BOARD OF DIRECTORS



**Tertius Zitzke**

Chief Executive Officer  
Executive Director



[View Brief CV](#)



**Eric van der Merwe**

Financial Director  
Executive Director



[View Brief CV](#)



**Kamil Patel**

Chairperson  
Non-Executive Director



[View Brief CV](#)



**Andrew Murgatroyd**

Chairperson of the Audit and  
Risk Committee  
Non-Executive Director



[View Brief CV](#)



**Christopher Crowe**

Chairperson of the Remuneration  
and Nominations Committee  
Non-Executive Director



[View Brief CV](#)



**Marichen Mortimer**

Chairperson of the Social and  
Ethics Committee  
Non-Executive Director



[View Brief CV](#)



**Johan Nel**

Non-Executive Director



[View Brief CV](#)



**Herman Singh**

Non-Executive Director



[View Brief CV](#)



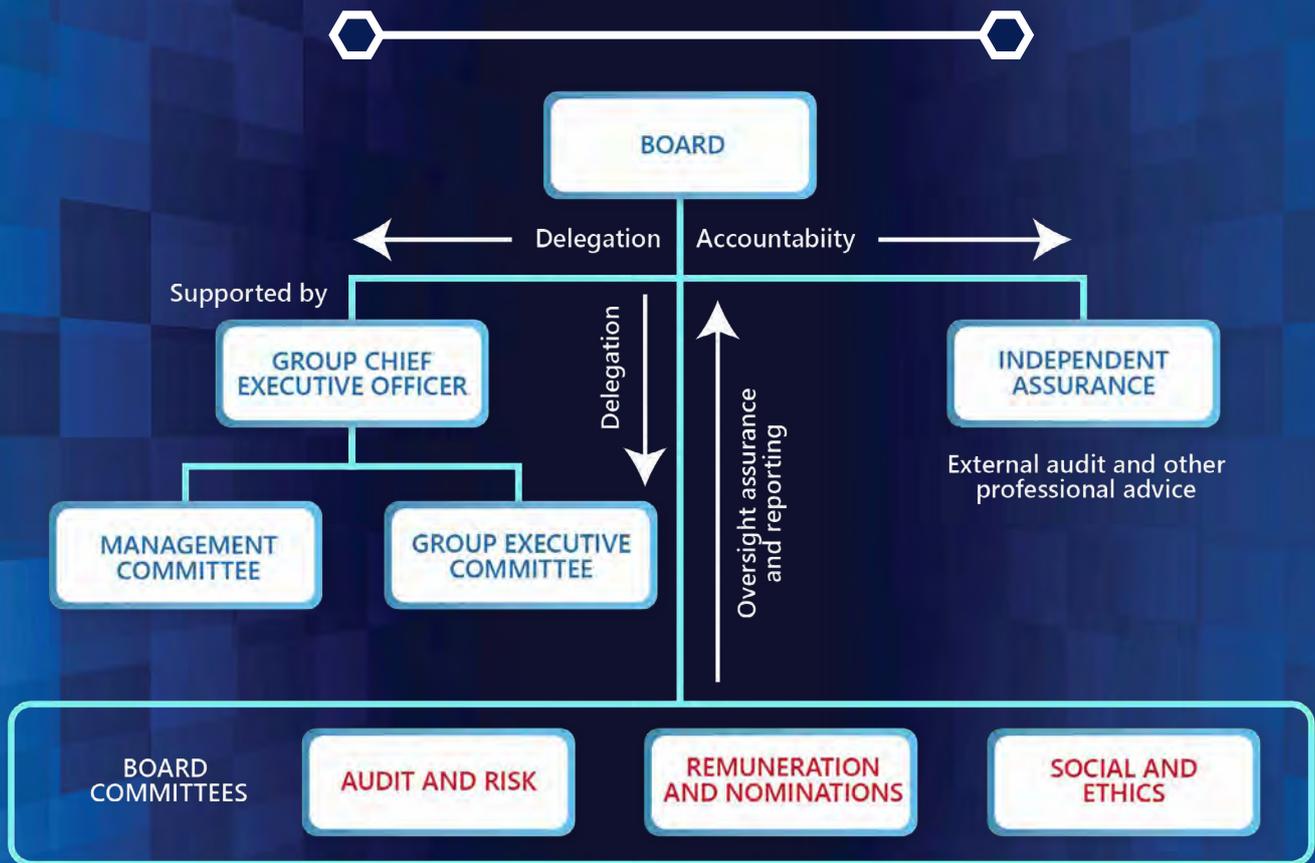
**Dr Sidharth Sharma**

Non-Executive Director



[View Brief CV](#)

# Governance Structure



## Board of directors

	Number	Percentage %
Number of board members	9	100%
Board members who are non-executive	7	78%
Board members who are executive	2	22%
Board members who are women	1	11%





The Social and Ethics Committee (Committee) is pleased to submit its report for the period ended 31 December 2021

### INTRODUCTION

The Committee is responsible for various statutory duties with regard to relevant legislation, other legal requirements and prevailing codes of best practice. The role of the Committee is to assist the board with monitoring and reporting on social, ethical and transformational practices that are consistent with good and responsible corporate citizenship.

#### The mandate of the Committee is to:

- Monitor whether the Company complies with relevant social, ethical and legal requirements and best practice codes;
- Bring to the attention of the board, any relevant matters within the scope of its mandate; and
- To report to shareholders on matters that fall within the scope of its mandate.

#### The Company subscribes to the following areas of social responsibility and relevant standards:

- Social and economic development (relevant standards: United Nations Global Compact; Organisation for Economic Co-operation and Development (“OECD”) recommendations on corruption; Employment Equity Act; Broad-based Black Economic Empowerment Act).
- Good corporate citizenship (including promotion of equality, prevention of unfair discrimination, reduction of corruption; contribution to community development; sponsorship, donations and charitable giving; environment, health and public safety).
- Impact of the Company’s activities, products or services on communities.
- Consumer relationships (including advertising; public relations; compliance with consumer protection laws).
- Labour and employment (including employment relationships; contributions towards the educational development of employees. Relevant standards: International Labour Organisation Protocol on decent work and working conditions).

### Promotion of diversity policy

In terms of paragraph 3.84(i) of the JSE Listings Requirements, the board approved the adoption of a formal diversity policy, setting out its policy and framework for the promotion of broader diversity at board level, specifically focusing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience.

The diversity policy provides that, in reviewing the board composition and succession planning of the Company, the Remuneration and Nominations Committee will consider the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the board and when possible should be balanced appropriately. All appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the board as a whole requires to be effective.

### Code of ethics

The Group subscribes to the highest ethical standards and behaviour in the conduct of its business and related activities. Stakeholders are advised that the Code of Ethics policy is available on the Company’s website:



### Terms of reference

The Committee has a board-approved terms of reference, which incorporates its statutory responsibilities and terms of reference which are aligned to the guidelines and requirements provided by the South African Companies Act, 71 of 2008 (SA Companies Act) and King IV™ Report. The terms of reference is regularly reviewed and updated where necessary to ensure that the terms of reference complies with all regulatory and legislative guidelines and that the Committee performs its duties in terms of the SA Companies Act and King IV™ Report.

The Committee has executed its duties, in accordance with these terms of reference, during the period under review.

## COMPOSITION AND FUNCTIONING MEETINGS

Best practises suggest that a majority of members of the Committee should be non-executive members. Having considered the size of the Company and the operational expertise required from its executive directors for the operational execution of the Committee's mandate, the Committee consists of equal number of executive and non-executive directors. For the year under review, the Committee continued to be chaired by an independent non-executive director.

**The current members of the Committee are as follows:**

- Marichen Mortimer (Chairperson and independent non-executive director)
- Herman Singh (member and independent non-executive director)
- Tertius Zitzke (member and executive director)
- Eric van der Merwe (member and executive director)

The Company's management and external advisers may attend all or part of any meeting by invitation as and when considered appropriate by the Committee.

The Company Secretary or its nominee acts as the secretary of the Committee.

The Committee brings any relevant matters within the scope of its mandate to the attention of the board. The Chairperson report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee makes whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is required.

The Committee met four times during the year under review in March 2021, June 2021, September 2021 and November 2021. All members attended these meetings and contributed effectively to its deliberations and discharged its responsibilities within its mandate.

### Key activities during the year

- Monitoring the Tip-Offs Anonymous reports received from Vuvuzela Hotline for any Whistleblowing reports. There have been no tips-offs recorded;
- Reviewed the "Corporate Social Responsibility" reports detailing the various initiatives that the Group supports;
- Reviewing and monitoring progress towards B-BBEE and transformation;
- People (health and well-being);
- An ISO 27001 gap analysis audit was completed during Q3 2021 providing confirmation that the gap to certification was not that wide. Preparation for the Stage 1 audit was expedited and was successfully completed on 9 December 2021. The Stage 2 audit is a verification of the implementation and effectiveness of the management system in use and has been scheduled for Q1 2022;
- Continued focus on enhancing compliance, where applicable across the Group, with the EU's General Data Protection Regulation ("GDPR"), as well as South Africa's data protection law (Protection of Personal Information Act ("POPI Act")); and
- Reviewing the feedback received from our Chief Executive Officer's Company culture impact assessment "pulse".

The Committee is aware that its function will continue to evolve as it addresses the responsibilities within its mandate and that management's responses too, will adapt to relevant changes in the environmental, social and governance agenda. The Committee is satisfied with the Group's progress in the areas of its mandate. The Committee stands to gain on many fronts that contribute to the overall sustainability of the Group, this includes ensuring greater public trust, improved risk compliance, ethics management, and warranting stronger stakeholder relations.

The Committee determined that, during the financial year under review, it had discharged its statutory duty and other responsibilities as outlined in the SA Companies Act and in terms of its board assigned mandate.

The Company has a zero-tolerance policy in respect of committing or concealment of fraudulent acts by employees, contractors or suppliers.

## 2022 Focus areas

- Formalising our stakeholder engagement framework, which includes our customers and community.
- Formalising the Sustainability Policy and framework.
- Establishing an accredited self-funded Centre of Excellence for IT Talent to promote the development of skills that are transferable, articulate, and will be transformative.

## On behalf of the Social and Ethics Committee



*Marichen Mortimer*

Marichen Mortimer  
Chairperson: Social and Ethics Committee  
29 April 2022

# SECTION 15 | CORPORATE GOVERNANCE REPORT



## INTRODUCTION

4Sight Holdings Limited (“4Sight” or “the Company” or “the Group”) operates under Mauritius Global Business Licence (Category I) and corporate governance policies that comply with the principles and recommendations set out in the National Code of Corporate Governance for Mauritius 2016) (Governance Code).

The Company has a primary listing on the Alternative Exchange (AltX) of the Johannesburg Stock Exchange Limited (JSE), and therefore complies with the JSE Listings Requirements and best practice principles as contained in the King IV™ Report on Corporate Governance for South Africa ( King IV™ Report).

## COMMITMENT

4Sight remains committed to the principles of sound governance and application of the highest ethical standards in the conduct of its business and affairs.

The directors accept responsibility and remain committed for the application of the values and characteristics of competency, accountability, fairness, integrity and transparency so as to ensure that good corporate governance is effectively practised at 4Sight.

The board understands and accepts its responsibility to the shareholders of 4Sight and continue to endeavour to ensure the Company conducts its business in the best interests of its shareholders. As such the board acknowledges its responsibility for ensuring compliance with all statutory obligations as specified in the Constitution of 4Sight Holdings Ltd, the Mauritius Companies Act, the JSE Listings Requirements and all other applicable regulatory requirements.

The directors endorse all the King IV™ Report principles and the 8 principles of the Governance Code in the interests of good governance and recognise the need to conduct the affairs of 4Sight with integrity and in accordance with generally accepted corporate governance practices. In discharging this responsibility, the intention is to apply all the principles (other than principle 17 which is not applicable) of King IV™ Report in both letter and spirit. The directors recognise they are ultimately responsible for the financial performance

of 4Sight. The directors have taken steps to ensure compliance with the JSE Listings Requirements, the Company’s Constitution as well as the principles under Part 5.3 ‘Governing Structures and Delegation’ of King IV™ Report and the application of the 16 principles of King IV™ Report. A detailed register of the Company’s application of the King IV™ Report principles is inserted on pages 73 to 79 of this Integrated Report.

## COMPANY’S INCORPORATION

4Sight is a company duly incorporated under the laws of the Republic of Mauritius, which holds a Global Business License issued by the Financial Services Commission of Mauritius.

The formal steps taken by the directors in ensuring that King IV™ Report is complied with are recorded in the Application of the Principles on pages 73 to 79:

## DIRECTORS AND COMPANY SECRETARY

### The board

The board is ultimately responsible for 4Sight’s business, strategy and key policies, and for the approval of the financial objectives and goals and investment decisions. The directors have a statutory obligation to act with honesty and in good faith and in best interests of the Company as individuals and as a collective.

In terms of the Company’s Constitution, at least one-third of the non-executive directors are required to retire at every Annual General Meeting. The retiring directors may be re-elected at the said Annual General Meeting provided they are eligible in terms of the Mauritius Companies Act and the Company’s Constitution. The board of directors, through the Remuneration and Nominations Committee is mandated to recommend eligibility, taking into account past performance and contribution made.

The minutes of board meetings were kept by the Company Secretary and they have formal record of all conclusions reached by the board on matters referred to it for discussion. A representative of the Designated Advisor (Java Capital Trustees and Sponsors (Pty) Ltd) was also an attendee at these board meetings.

The board will continue to meet regularly and disclose the number of meetings held each year in its annual report, together with the attendance at such meetings. Should the board require independent professional advice, such advice will be sought by the board at the Group's expense.

All directors have access to the advice and services of Navitas Management Services Limited, who fulfils the role of Company Secretary in Mauritius.

Directors are expected to maintain their independence when deciding on matters relating to strategy, performance, resources and standards of conduct. All directors have undergone the Directors Induction Programme facilitated by the Institute of Directors of South Africa in 2020. Continued professional development of directors will be facilitated on an on-going basis to ensure that directors remain competent to address additional challenges to the knowledge, skills, abilities and values required within the context in which directors are required to execute their duties as directors on the board of 4Sight Group.

The board is responsible for relations with stakeholders, as well as being accountable to them for the performance of the Group and reporting thereon in a timely and transparent manner.

## Chairperson and Chief Executive Officer

The current Chairperson and Chief Executive Officer are separated with Tertius Zitzke being appointed as Chief Executive Officer and Kamil Patel as the independent non-executive Chairperson.

## Composition of the board

The board currently consists of seven non-executive directors, all of whom are regarded by the board as independent and two executive directors, the majority of whom are non-South African residents. The board is satisfied that there is a clear division of responsibilities to ensure independent unbiased decisions and a balanced distribution of power, time and authority. No one individual has unfettered powers of decision making.

The board consists of the following directors as at 31 December 2021:

### Executive directors

- Tertius Zitzke (Chief Executive Officer)
- Eric van der Merwe (Financial Director)

### Non-Executive directors

- Kamil Patel (Chairperson)
- Andrew Murgatroyd
- Christopher Crowe
- Herman Singh
- Johan Nel
- Marichen Mortimer
- Dr Sidharth Sharma

## Delegation of duties

The board is supported and assisted by three Committees with clear mandates and oversight responsibility for various aspects of the business. The responsibilities delegated to each Committee are formally documented in the terms of reference for that Committee, and have been approved by the board and are reviewed on a regular basis.

The board has established three standing Committees through which it executes some of its duties, namely:

- Audit and Risk Committee;
- Remuneration and Nominations Committee; and
- Social and Ethics Committee.

These sub-committees of the board give regular feedback on their activities at board meetings.

## Appointments to the board

The Remuneration and Nominations Committee role is to assist the board to ensure that it has the appropriate composition for it to execute its functions effectively and to ensure that formal succession plans are in place. The Remuneration and Nominations Committee is tasked with the responsibility to recruit and recommend to the board a candidate to be appointed as a board member when a vacancy arises or when the board decides to expand the number of board members. All directors of a company is appointed by ordinary resolution. While the Group's Constitution records that there is no limit to the number of directors, provided always that there shall be at least four directors, two of whom shall be ordinarily resident in Mauritius.

The board may, in terms of the Mauritius Companies Act and the Company's Constitution, from time to time, appoint one of their members to be Chief Executive Officer of the Company, either for a fixed term or without any limitation as to the period for which the Chief Executive Officer is to hold office.

The Chief Executive Officer shall immediately cease to be a Chief Executive Officer if he ceases to hold the office of Director for any cause and may be removed and replaced by an ordinary resolution of the Shareholders.

The Remuneration and Nominations Committee has adopted guidelines and requirements for the appointment of non-executive directors. The composition of the existing board members in terms of gender, diversity, experience and skill will be taking into account in determining the requirements for the candidate to fill the vacancy.

## CONFLICT OF INTEREST

All directors of the Group are required to sign an annual declaration stating they are not aware of any conflicts of interest that may exist as a result of their interest in or association with any other company, except as disclosed, setting out for record-keeping purposes all business-related interests they have.

As soon as a director becomes aware of any potential conflict of interest, he/she is required to disclose such conflict immediately. All potential conflict of interest are declared and noted at the commencement of each board and Committee meeting.

## ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Attendance by the directors at board meetings and board Committee meetings during the period under review is set out below:

	Board	Audit and Risk Committee	Remuneration and Nominations Committee	Social and Ethics Committee
<b>Number of meetings held</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Directors' attendance</b>				
Kamil Patel (Chairperson)	Attended 4	Note 1	Note 1	Note 1
Andrew Murgatroyd	Attended 4	Attended 4	Note 1	Note 1
Christopher Crowe	Attended 3	Note 1	Attended 4	Note 1
Herman Singh	Attended 4	Attended 4	Note 1	Attended 4
Johan Nel	Attended 4	Attended 4	Attended 4	Note 1
Marichen Mortimer	Attended 4	Note 1	Attended 4	Attended 4
Dr Sidharth Sharma	Attended 4	Note 1	Note 1	Note 1
Tertius Zitzke (Chief Executive Officer)	Attended 4	Attended 4	Attended 4	Attended 4
Eric van der Merwe (Financial Director)	Attended 4	Attended 4	Attended 4	Attended 4

Note 1 - Not appointed onto the Committee



## DIRECTORS' REMUNERATION

### Background

The Mauritius Companies Act requires that the Company shall approve the remuneration of the directors and any benefit payable to the directors including any compensation for loss of employment of a director or former director by Ordinary Resolution. The remuneration of the Chief Executive Officer shall, in terms of the Company's Constitution be fixed by the directors from time to time subject to the provisions of any contract between him and the Company.

The Company may not make a loan to a director of the company or any relative of the director or enter into any guarantee or provide any security in connection with a loan made by any person to company or any relative of the director.

The shareholders endorsed the Company's remuneration policy and implementation report in terms of ordinary resolutions 6 and 7 in at the Company's last Annual General Meeting. Generally accepted remuneration practices have been implemented by the Company and its subsidiaries in line with the endorsed remuneration policy and implementation report.

### Overview of the main provisions of the remuneration policy

The board subscribe to the principle to foster enhanced accountability on remuneration. One of the ways that the board ensures this is by including more definitive requirements in the remuneration policy.

The remuneration policy adopted by the Company is to remunerate executive directors and senior management and junior management primarily on a Total Guaranteed Package (TGP) which includes guaranteed pay and benefits that accrue on a monthly basis, short-term incentives (STI) through discretionary cash bonuses, as well as Long-term incentives (LTI) by way of share incentives.

## Executive directors and senior management

All elements of remuneration for executive directors' and senior management comprise a:

- TGP which incorporates a guaranteed pay (including financial and non-financial benefits ) that accrue on a monthly basis;
- Variable remuneration, including STI which includes discretionary bonus awards for achieving annual performance targets; and
- Variable remuneration, including share incentives as a LTI reward.

### Guaranteed pay and benefits (including financial and non-financial)

Guaranteed pay is a reasonable and fair salary based on the industry norms and the Group's performance during the period under review. The basic salaries of the Group are reviewed on an annual basis by the Remuneration and Nominations Committee. Benefits will comprise of core benefits, allowances and/or retirement benefits.

### Discretionary bonuses

Bonuses are discretionary cash payments for the executive directors and senior management based on annual Group and agreed individual performance and financial targets. Such discretionary bonuses take into account the trading conditions and financial year-end results of the Group.

### Share incentives

Share Incentives will, once an STI scheme has been formally approved, be awarded based on the share incentive scheme adopted by the Group and connected to the value of the shares of the Company when any Share Incentives are awarded.

Financial targets are approved annually in advance by the board taking cognisance of the operational targets for the Group which include (but are not limited to):

- Expected Growth Rate
- Operating Profit targets
- Required Return on Capital
- Free Cash Flow
- People Management Strategy

## Non-executive directors

Non-executive directors' fees are payable in the form of an annual retainer payable quarterly and a board and board Committee meeting attendance fee paid upon attendance. Additional fees are payable for additional time spent on behalf of the Company, based on market related rates and as determined by a disinterested quorum of directors.

The director's fees paid to the directors during the year under review are disclosed in note 25 of the Notes to the Annual Financial Statements.

## Service contracts and terms of office

The Group has entered into normal service contracts with all of its executive directors. At least one-third of non-executive directors are required to retire at every Annual General Meeting. The retiring directors may be re-elected at the said annual meeting provided they are eligible.

## Remuneration and Nominations Committee

A Remuneration and Nominations Committee has been established. It comprises of three non-executive directors being CSJ Crowe (Chairperson), MM Mortimer (member) and JSJ Nel (member). The Chief Executive Officer, Financial Director, Chief Operating Officer and Chief People and Customer Officer are permanent invitees.

Remuneration and Nominations Committee met four times during the year - March 2021, June 2021, September 2021 and November 2021.

## Implementation report

The implementation report details all remuneration awarded to individual members of the Company and executive management during the year under review. The remuneration of non-executive and executive directors is more fully set out in note 25 of the Consolidated Financial Statements. No LTI's were awarded for the year under review.

## Incorporation

The Group is duly incorporated in Mauritius and operates in conformity with its Constitution and the laws of the Republic of Mauritius.

## Financial reporting

The board is responsible for the Group's systems of internal financial and operational control, as well as for maintaining an appropriate relationship with the Group's external auditors. The board is also responsible for presenting a reliable, balanced and understandable assessment of the Company's financial position with respect to all financial and any other report applicable to the Company.

## Internal control

The directors conduct an annual review of the Group's internal controls and report their findings to shareholders. This review covers financial, operational and compliance controls, as well as a review of the risk management policies and procedures of the Company.

Progress has been made in documenting systems, procedures and controls as well as implementing improved controls in the companies acquired by the Group, where required.

## Audit and Risk Committee

A Audit and Risk Committee has been established. It comprises of three non-executive directors being Andrew Murgatroyd (Chairperson), Herman Singh (member) and Johan Nel (member). The Chief Executive Officer, Financial Director and Chief Operating Officer are permanent invitees.

Refer to the Report by the Chairperson of the Audit & Risk Committee as included on pages 82 to 85 of this report.

## Social and Ethics Committee

A Social and Ethics Committee has been established. It comprises of an equal number of executive and non-executive directors being Marichen Mortimer (Chairperson), Herman Singh (non-executive director), Tertius Zitzke (executive director) and Eric van der Merwe (executive director).

Refer to the Report by the Chairperson of the Social and Ethics Committee as included on pages 60 to 62 of this report.

## External auditors

The external auditors of the Group are Nexia SAB&T and they have performed an independent and objective audit of the Group's financial statements.

## Relationships with stakeholders

The board ensures that when approving the Integrated Report that stakeholders are provided with the necessary information in order for them to effectively assess the maturity of corporate governance of the Group as a whole.

The Group plans to continue meeting with stakeholders, including investment analysts, product and service providers and all other interested parties, to provide presentations on the Group's performance, its business plans, strategies and outlook for the future.

## Dealing in securities

Procedures are in place to regulate the prohibition of insider trading, by among others establish a closed period from the date of its interim financial year and its financial year end, being 30 June and 31 December respectively, until the earliest publication of the preliminary report, the abridged report or the provisional report in the case of results for a full period and from the date of the interim period end to the date of the publication of the first and second interim results as the case may be, which periods are known as closed periods.

In accordance with the JSE Listings Requirements, no directors of the Company, their associates and major subsidiaries, together with the Company Secretary and Prescribed Officers of the Company, are allowed to deal in the securities of the Company during a closed or prohibited period as well as periods when the Company is trading under a cautionary announcement.

All directors of the Company, their associates and major subsidiaries, together with the Company Secretary and Prescribed Officers of the Company are obliged to obtain prior authorisation from the Chairperson of the Group prior to dealing in the securities of the Company, and the Company Secretary keeps a register of such authorisation by the Chairperson in terms of the JSE Listings Requirements. When it is the Chairperson who intends to deal in the securities of the Company, then the Chairperson of the Audit and Risk Committee is required to provide the requisite authorisation.

The Company Secretary or such person as may be nominated by him/her from time to time shall keep a record of all dealings by directors in the securities of the Company.

## RISK MANAGEMENT

The board is ultimately responsible for any financial loss or reduction in shareholder value. It is therefore responsible for recognising all risks to which the Group is exposed to and ensuring that the requisite culture, practices, policies and systems to mitigate risks are in place.

The board is accountable for the implementation of an effective policy and framework for the identification, recognition and management of risk. The board is also responsible for the monitoring and oversight of the appropriateness of financial and business processes, systems and controls, and financial reporting.

The board is supported by the Audit and Risk Committee in the fulfilment of these responsibilities in that the Audit and Risk Committee ensures that significant business, financial and other risks have been identified and are being managed.

Enterprise Risk Management does not mean risk avoidance, but rather is the process of extracting optimum reward from an acceptable risk exposure whilst minimising cost and the process of avoiding unacceptable losses, i.e. those losses that are not planned for.

An enterprise risk framework and risk register has been developed and implemented to identify, assess, monitor and manage 4Sight's risk and ensuring and integration of risk management considerations into decision-making. The Board and the Audit and Risk Committee regularly review the above and are of the opinion that the internal controls and risk policies in place during the year were sufficiently effective to manage the risks of the Company.

The security of the Company's assets and integrity of its accounting records as well as its compliance with regulatory and legal requirements depend on the effective operation of systems of internal control. The Audit and Risk Committee monitors and discusses the effectiveness of these processes with representatives of management and access the effectiveness of internal controls.

The governance of IT is largely dependent on the IT-related controls which are reviewed and discussed with the appropriate management levels, mainly focusing on information security and business continuity. The board is satisfied that the Company's controls and monitoring of IT governance are appropriate.

The board and the Audit and Risk Committee are satisfied that the directors have fulfilled their responsibilities in respect of enterprise risk management and internal controls during the period under review.

## Risk register

Enterprise Risk Management requirements and accounting processes and activities are assessed to determine their materiality and risk to the Company. This is achieved through the Risk Register, which is submitted to the Audit and Risk Committee.

The Risk Register addresses the following key components of the risk management framework:

- Identification of risk classified according to key risk areas for 4Sight, and where applicable, consider risks identified in the business sectors and subsidiaries which may be impacted by these key risks;
- Risk assessment - involving the quantification of a severity rating;
- Risk response through mitigating factors and controls;
- Control activities - involving the assessment of the effectiveness of identified controls and mitigating factors, resulting in the quantification of the residual risk exposure; and
- Monitoring and reporting including the identification of the relevant risk owner

The key risks currently facing the Company are set out below:

Risk	Description of Risk	Mitigating controls
<p><b>Retaining talented individuals</b></p>	<p>The competitive market for skills in the 4th Industrial Revolution market remains a challenge and risk for 4Sight; and the continuing loss of skilled consultants to the overseas market.</p>	<p><b>To address this risk, the following initiatives were taken:</b></p> <ul style="list-style-type: none"> <li>• During the benchmarking process, internal positions within the Group are benchmarked;</li> <li>• Setting benchmarks for remuneration and adjusting where necessary;</li> <li>• Making sure active succession planning is implemented for key positions within the Group; and</li> <li>• Our consultants undergo continuous skills training to ensure they have the necessary skills and are able to cross-skill to new emerging technologies inside our company.</li> </ul>

Risk	Description of Risk	Mitigating controls
<p><b>The non-compliance of the operating environment with regulatory requirements</b></p>	<p>Legislation is constantly evolving, such as the JSE Listing Regulations, the King IV™ Report on Corporate Governance for South Africa (as amended), B-BBEE regulations, the Protection of Personal Information Act ("POPIA"); General Data Privacy Regulation ("GDPR"), as well as 4Sight's compliance with foreign legislation (such as in Mauritius).</p>	<p><b>To address this risk, the following initiatives were taken:</b></p> <ul style="list-style-type: none"> <li>• Engagement of Third Parties to assist with the Group's compliance with various regulatory frameworks, including the JSE Listing Requirements, King IV, and POPIA;</li> <li>• To streamline operations and save costs, the Group is moving its headquarters from Mauritius to South Africa;</li> <li>• Maintain expertise in its sub-committees, JSE Sponsor, Company Secretary, and Group Legal Officer in order to ensure compliance with various legislative requirements; and</li> <li>• We continually monitor the ever-changing legislative environment and identify the risks and opportunities in our sector through our internal legal department.</li> </ul>



Risk	Description of Risk	Mitigating controls
<p><b>Management of COVID-19's potential business impacts</b></p>	<p>The Group's operations were impacted by the ever-changing COVID-19 laws and government communications.</p>	<p><b>To address this risk, the following initiatives were taken:</b></p> <ul style="list-style-type: none"> <li>• Because the Group was an industry leader in digital transformation, it was able to digitise its entire work force and environment across the organisation, allowing employees to work from home during the lockdown limitations;</li> <li>• The Group's Envisioning Center was launched which hosted multiple customer engagements;</li> <li>• 4Sight attended the CXO Forum on a quarterly basis which extended its reach into foreign markets;</li> <li>• Traditional direct sales engagements remained challenging, despite the fact that the travel ban enforced allowed new chances to engage international customers; and</li> <li>• Employees were always on the lookout for potential mental and bodily hazards and managing them.</li> </ul>
<p><b>Conformance with B-BBEE standards</b></p>	<p>As a Mauritius incorporated entity, the Group was exempted from this requirement.</p>	<p><b>To address this risk, the following initiatives were taken:</b></p> <ul style="list-style-type: none"> <li>• The Group has enlisted the assistance of several stakeholders in the South African market to help with the implementation of a long-term B-BBEE implementation plan and strategy; and</li> <li>• The Group has met with a number of private investors to assess the possibility of a B-BBEE shareholder at the corporate level.</li> </ul>

Risk	Description of Risk	Mitigating controls
<p><b>Information security</b></p>	<p>Service interruptions or the loss of confidential information can be caused by an external cyber attack. If we experience downtime, our revenue, reputation, and operations may be impacted negatively..</p>	<p><b>To address this risk, the following initiatives were taken:</b></p> <p>The Group has identified security as a critical business delivery stream and is presently in the planning stages of forming alliances with external industry leaders. Ultimately, turning this into a possible cash stream for the entire Group;</p> <ul style="list-style-type: none"> <li>• Ensure that the Group's internal IT systems are safe and protected against potential cyber-attacks; and</li> <li>• Developing prospects for the Group's BE, IT, and OT service offerings as a holistic services provider to help organisations digitise.</li> </ul>

## COMPANY SECRETARY

The directors evaluate the competency of the Company Secretary on an annual basis and in compliance with section 3.84(h) of the JSE Listing Requirements. The board has considered and satisfied itself on the competence, qualifications and experience of the Company Secretary and is of the opinion that the Company Secretary has the requisite attributes, experience and qualifications to fulfil the requirements of the company secretary effectively. The board confirms that there is an arm's length relationship between itself and the Company Secretary and this position.

## FINANCIAL DIRECTOR

The Financial Director, Eric van der Merwe, is a full-time employee and executive director and has the formal responsibilities required of him in terms of JSE Listings Requirements and any relevant provisions of the Mauritius Companies Act, 2001. The Audit and Risk Committee has confirmed his experience and expertise and has issued a confirmation thereof to the JSE Limited.



# CHAPTER 7 | KING IV™ REPORT PRINCIPLES



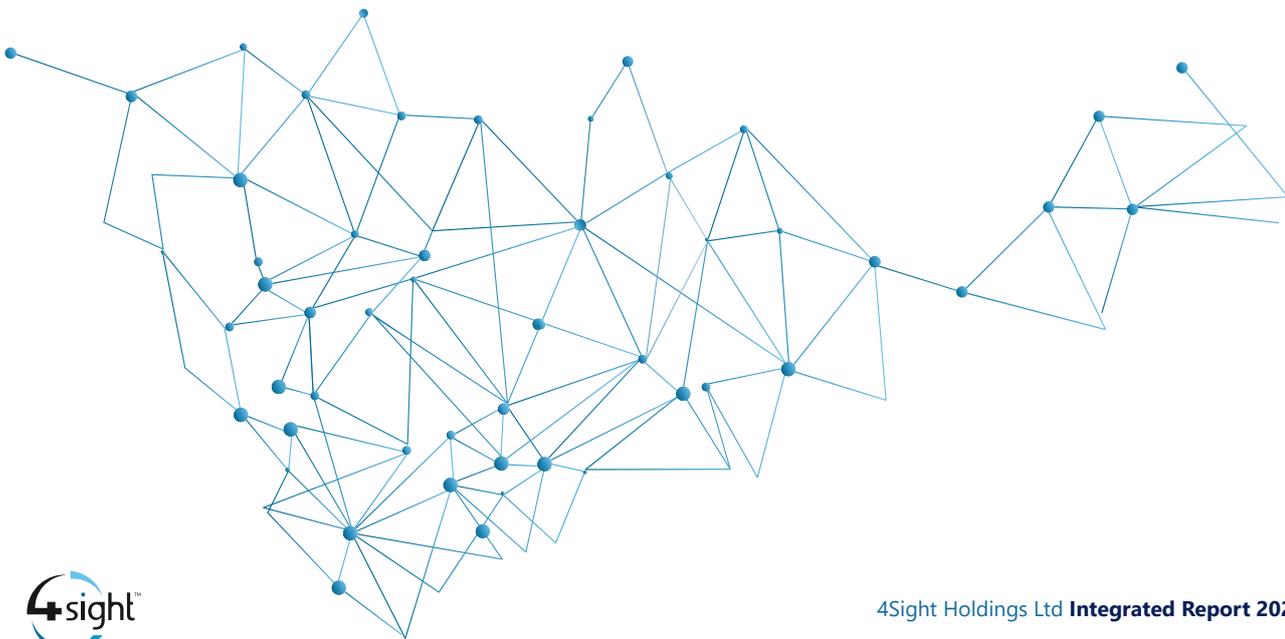
## SECTION 16 | APPLICATION OF THE PRINCIPLES

King IV™ Report is principle- and outcomes-based rather than rules-based and assumes application of all 17 principles and 4Sight is required to explain how the 17 principles are applied – thus, apply and explain King IV™ Report. The table below provides a brief summary and guidance on the Group’s application of the King IV™ principles:

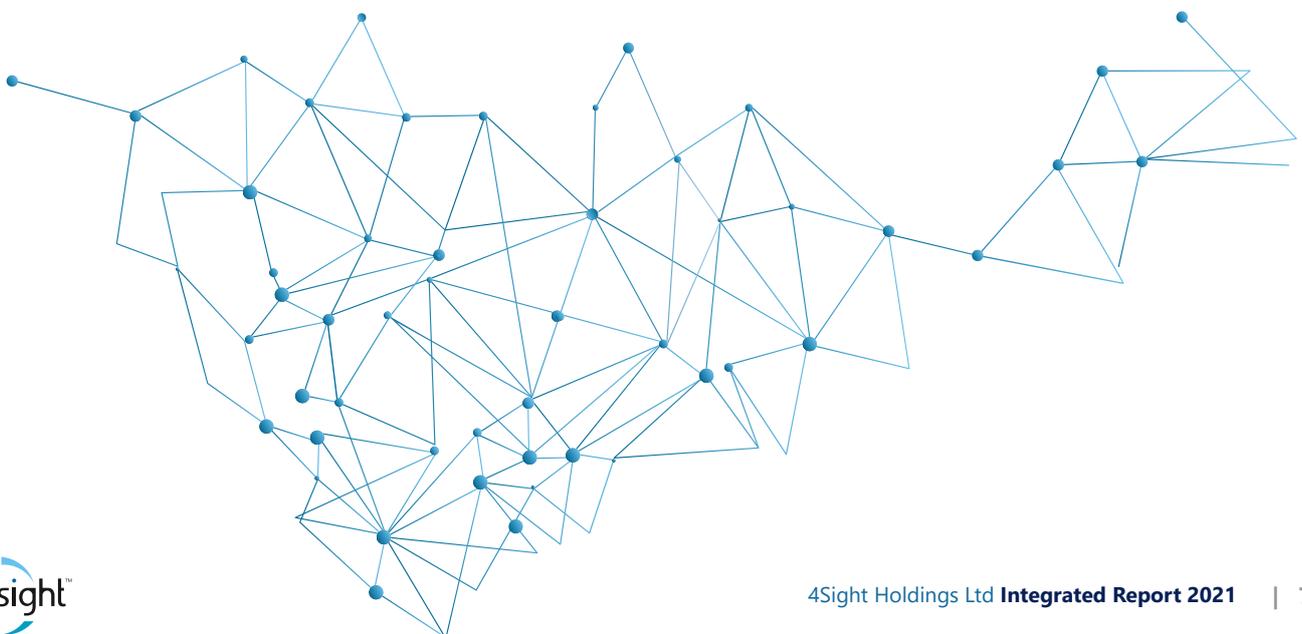
Principle	Description	Arrangements, achievements, measurements and future focus areas
1	The governing body should lead ethically and effectively.	<p>The board is comprised of members who lead ethically and effectively by maintaining and upholding the values of integrity and fairness.</p> <p>The board continues to be guided by the Group’s values and code of ethics.</p> <p>All directors’ interests are declared and reviewed at each board and board committee meeting. The board is suitably competent to steer the strategic direction of the Group.</p> <p>A formal review of the performance of the directors are undertaken annually. The results are discussed and actioned by all concerned.</p>
2	The governing body should govern the ethics of the Group in a way that supports the ethical culture of the Group.	<p>The Social and Ethics Committee ensures that the code of ethics encompasses the ethos that the Group strives to uphold.</p> <p>The board reviews and approves the Group’s code of ethics on a regular basis and delegated the responsibility for implementation and execution of the code of ethics to management.</p>
3	The governing body should ensure that the Group is and is seen to be a responsible corporate citizen.	<p>When determining the Group’s strategy, the board ensures that it considers various factors that influence the sustainability of the business. These factors include the effect on human capital, the economy, society and the environment.</p> <p>The board ensures that the Group is compliant with all applicable laws and regulations in order to ensure that the Group is and is seen to be a responsible corporate citizen.</p> <p>The Social and Ethics Committee monitors the Group’s corporate citizenship and recommends and manages social development spend for the year.</p>

Principle	Description	Arrangements, achievements, measurements and future focus areas
4	<p>The governing body must ensure that the Group's core purpose, its risks and strategy are all inseparable elements of the value-creation process.</p>	<p>The Group's core purpose is determined by the board and is achieved through the implementation of the Group's strategy.</p> <p>The board understands the correlation between the Group's core purpose, its risks and its strategy.</p> <p>The executive directors of the board hold numerous meetings during the year to deliberate over the Group's strategy.</p> <p>The board continuously assesses the Group's strategy with reference to financial and non-financial indicators.</p>
5	<p>The governing body should ensure that reports issued by the Group enable stakeholders to make informed assessments of the Group's performance and its short, medium and long-term prospects.</p>	<p>The governing body should ensure that reports issued by the Group enable stakeholders to make informed assessments of the Group's performance and its short, medium and long-term prospects.</p> <p>The board acknowledges its responsibility over the Group's annual financial statements and the Integrated Report, supported by internal and external controls.</p> <p>The board approves all external reports prior to publication.</p> <p>The Group's Integrated Report aims to provide the stakeholders with information about the Group's strategy, governance, performance and prospects over the short, medium and long term.</p> <p>The Group makes the Integrated Report publicly available to all stakeholders. The Integrated Report includes:</p> <ul style="list-style-type: none"> <li>• Statement of Director's Responsibility;</li> <li>• Statement of Responsibility of the CEO and Financial Director;</li> <li>• Chairperson's Report;</li> <li>• CEO's Report;</li> <li>• Business Overview;</li> <li>• Corporate Governance Report and compliance to the 17 principles of the King IV™ Report;</li> <li>• Social and Ethics Committee Report;</li> <li>• Audit and Risk Committee Report;</li> <li>• Consolidated Financial Statements;</li> <li>• Independent Auditor's Report</li> </ul>

Principle	Description	Arrangements, achievements, measurements and future focus areas
6	<p>The governing body should serve as the focal point and custodian of corporate governance on the Group.</p>	<p>The overall responsibility for corporate governance within the Group lies with the board.</p> <p>The board records its roles, responsibilities and procedural conduct in a term of reference which is regularly reviewed and ensures that there is a structural approach to governance within the Group.</p> <p>There are at least four board meetings held each year and attendance and contribution at these meetings remain excellent.</p>
7	<p>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>The board is comprised of nine directors, seven of whom are independent non-executive directors and two executive directors. Each director has their own skills and experiences, which brings diverse perspectives to board meetings.</p> <p>The directors are all adequately qualified and suitable to perform their responsibilities effectively. Brief summaries of each director's qualifications, capacity, status and membership can be found on page 58.</p> <p>While King IV™ Report recommends that a majority of members of the social and ethics committee should be non-executive members, the Committee currently consist of equal number of executive and non-executive directors. For the year under review, the Committee was continued to be chaired by Marichen Mortimer, an independent non-executive director. The board is satisfied that the social and ethics committee as a statutory body has the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>



Principle	Description	Arrangements, achievements, measurements and future focus areas
8	<p>The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.</p>	<p>The board carefully delegates specific roles and responsibilities to directors and Committees.</p> <p>The role of the CEO and Chairperson are separated to ensure a balance of power and effective discharge of duties.</p> <p>When delegating, the board ensures that there is a balanced distribution of power so that no member can dominate decision-making.</p> <p>The delegation by the board of its responsibilities does not reduce its accountability.</p> <p>The following Committees are in place:</p> <ul style="list-style-type: none"> <li>• Audit and Risk Committee</li> <li>• Remuneration and Nominations Committee</li> <li>• Social and Ethics Committee</li> </ul> <p>Each Committee comprises the appropriate mix of directors. The roles and responsibilities delegated to each Committee are documented in a formal term of reference. Annual reviews of each term of reference are performed by the board.</p> <p>The roles and responsibilities delegated to the Chief Executive Officer (CEO) and Financial Director (FD) are recorded and approved by the board.</p>
9	<p>The governing body should ensure that the evaluation of its own performance and that of its Committees, its Chairperson and its individual members, support continued improvement in its performance and effectiveness.</p>	<p>The board and all the Committees conduct an annual self-evaluation process to measure its respective performance and that of the Chairperson. These results are reviewed by the Remuneration and Nominations Committee and presented to the board for its conclusion.</p> <p>The suitability and effectiveness of the Company Secretary is reviewed by the board on an annual basis.</p>



Principle	Description	Arrangements, achievements, measurements and future focus areas
10	<p>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.</p>	<p>The board, together with the Remuneration and Nominations Committee, are responsible for the nomination and appointment of the CEO.</p> <p>The CEO reports to the board on a quarterly basis regarding the implementation and execution of the Group's approved strategy, policies, operational planning and all other major business developments and proposals. Certain functions are delegated to senior management, who report to the CEO.</p> <p>The CEO undergoes a formal performance evaluation annually, the results of which are discussed with the board.</p> <p>The board has satisfied itself as to the appropriateness of the appointment of Tertius Zitzke as CEO and Eric van der Merwe as Financial Director.</p> <p>Succession planning is an ongoing area of focus.</p> <p>The Group's Company Secretary provides professional corporate governance services to the Group. The Company Secretary reports to the board on all statutory, regulatory and governance matters concerning the Group and to the FD on all other duties and administrative matters.</p> <p>The performance and independence of the Company Secretary is evaluated by the board on an annual basis and the board has satisfied itself as to the appropriateness of this appointment.</p>
11	<p>The governing body should govern risk in a way that supports the Group in setting and achieving its strategic objectives.</p>	<p>The Audit and Risk Committee is responsible for monitoring risk in the Group which is integral to achieving strategic objectives.</p> <p>The Committee ensures that management identifies potential risks which may affect the Company or its operations and implements an effective risk management policy and plan, enhancing the Company's ability to achieve its strategic objectives.</p>
12	<p>The governing body should govern technology and information in a way that supports the Group setting and achieving its strategic objectives</p>	<p>The board acknowledges that Information Technology (IT) is an integral component of the Group's strategy. The Audit and Risk Committee is responsible for governance of technology and information.</p> <p>IT risks are monitored on a weekly basis and any significant risks or changes are reported to management.</p> <p>The Group has an IT policy in place to manage ethical and responsible use of technology and information.</p> <p>Any major IT investments are approved by management after taking into consideration costs and risks.</p>

Principle	Description	Arrangements, achievements, measurements and future focus areas
13	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Group being ethical and a good corporate citizen.	<p>Java Capital is the Group's Sponsor and advises the board, on compliance with the JSE Listings Requirements.</p> <p>No regulatory penalties, sanctions or fines were imposed by the JSE Limited against the Group or any of the directors of the board.</p> <p>The Group also consults their legal team, Company Secretary, external auditors to ensure compliance with applicable laws and regulations.</p>
14	The governing body should ensure that the Group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	<p>The Remuneration and Nominations Committee is responsible for setting remuneration policies that are aligned with the Group's strategy. The aim of remuneration in the Group is to reward staff for their contribution to long-term operating and financial performance of the Group. The overall philosophy is to ensure that the remuneration of employees is competitive and that the Group attracts, motivates and retains individuals that are of the right calibre.</p> <p>Details about the Group's approach to remuneration, policy and implementation are disclosed in the Corporate Governance Report.</p>
15	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the Group's external reports.	<p>The board relies on internal and external assurance providers to aid an effective control environment. The Audit and Risk Committee oversees the assurance services within the Group.</p> <p>The consolidated annual financial statements included in the 2021 Integrated Report were independently audited by Nexia SAB&amp;T.</p> <p>Based on the size of the Group, 4Sight Holdings Limited does not have a separate internal audit function.</p> <p>The information included in the Integrated Report is compiled to disclose information about the Group's business performance, risks, opportunities and prospects.</p> <p>The Audit and Risk Committee is satisfied that control systems and procedures are suitably enforced, maintained and supervised by qualified personnel, with appropriate segregation of authority, responsibilities and reporting lines.</p>

Principle	Description	Arrangements, achievements, measurements and future focus areas
16	In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	<p>The board ensures the development of appropriate policies that appreciate that stakeholders' perceptions affect the Group's reputation.</p> <p>The Social and Ethics Committee is responsible for providing guidance on and oversight of the Group's activities regarding the social and economic development, corporate citizenship, environment, health and public safety, relationship with all stakeholders, labour and employment, and to monitor the Company's sustainability and governance performance in this regard.</p>
17	The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote the good governance and the creation of value by the companies in which it invests.	Principle 17 is not applicable to the 4Sight Group.



# CHAPTER 8 | 4SIGHT HOLDINGS CONSOLIDATED FINANCIAL STATEMENTS



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## SECTION 17 | GENERAL INFORMATION



### Country of incorporation and domicile

4Sight Holdings Ltd was incorporated in Mauritius on 28 June 2017 in accordance with the company laws of Mauritius, and listed on the Alternative Exchange of the JSE on 19 October 2017.

### Nature of business and principal activities

As a multi-national, diversified technology group, our purpose is to leverage our portfolio of 4IR technologies, people and data-focused solutions.

### Directors

- Tertius Zitzke
- Eric van der Merwe
- Kamil Patel
- Herman Singh
- Andrew Murgatroyd
- Johan Nel
- Marichen Mortimer
- Christopher Crowe
- Dr Sidharth Sharma

### Registered office and business address

Navitas House, Robinson Lane, Floreal, Mauritius.

### Bankers

AfrAsia Bank Ltd

### JSE Accredited Auditor

Nexia SAB&T

### Company secretary

Navitas Management Services Ltd

### Legal advisors

WWB Botha Attorneys

### Level of assurance

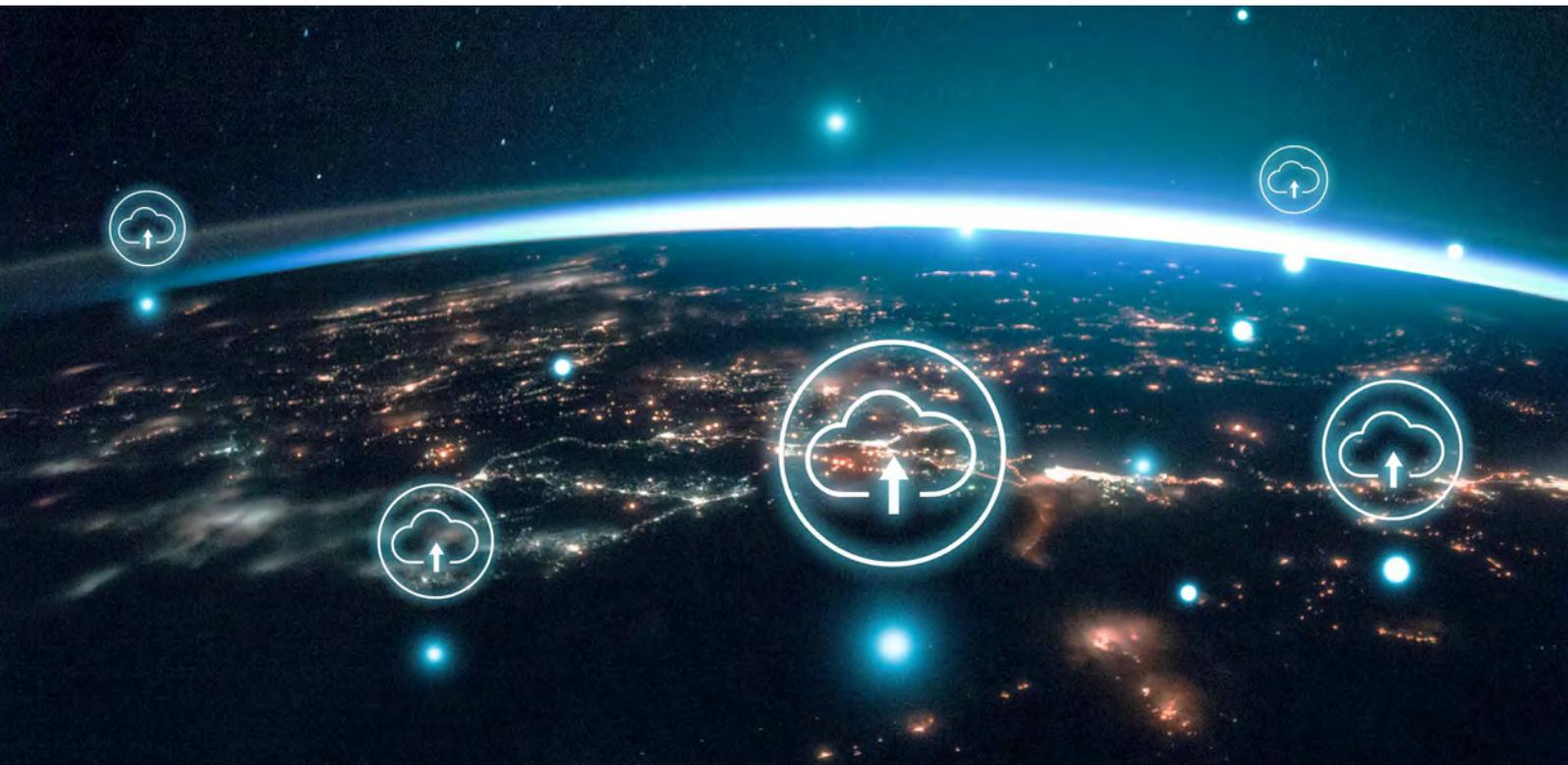
These consolidated financial statements have been audited in compliance with the applicable requirements of JSE Limited Listing Requirements.

### Preparer

The consolidated financial statements were internally compiled by Eric van der Merwe (Financial Director)

### Issued

29 April 2022 (authorised 25 March 2022)



## SECTION 18 | AUDIT AND RISK COMMITTEE REPORT



The Audit and Risk Committee (Committee) is pleased to present its report for the year ended 31 December 2021

### INTRODUCTION

The Committee has an independent role with accountability to the board and shareholders for:

- The safeguarding of assets; financial and internal controls, compliance and reporting;
- Financial and other risk management;
- The external audit and assurance and the integrity of the Annual Financial Statements; and
- Corporate governance.

The Committee comprise of three independent non-executive directors as at the time of writing this report. The Committee has specific responsibilities to the shareholders in terms of the King IV™ Report and the Companies Act 2001 of Mauritius (Companies Act).

The role of the Committee is to ensure the integrity of financial reporting and the audit process. The Committee assists the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and internal control processes, overseeing the preparation of accurate financial reports and statements in compliance with all applicable legal requirements and accounting standards, ensuring compliance with good governance practices and nomination of external auditors. In pursuing these objectives, the Committee oversees relations with and independence of the external auditors.

The Committee is constituted as a statutory committee in terms of the Companies Act in accordance with Section 131(1) and operates as a Committee of the board in line with the board approved mandate and documented terms of reference.

The Committee's formal terms of reference are reviewed annually in line with best practice and to conform with King IV™ Report and the Companies Act. The Committee has conducted its affairs in compliance with these terms, as approved by the board. The activities of the Committee are set out in an annual work plan.

### ROLE OF THE COMMITTEE

The primary objective of the Committee is to provide the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in discharging their duties. The Committee is required to provide additional comfort to the board that adequate and appropriate financial and operating controls are in place, that material business, financial and other risks have been identified and are being suitably monitored.

The Committee is tasked with satisfying the board that the Financial Director has the appropriate expertise and experience, and that satisfactory standards of governance, reporting and compliance are in operation. When required the Committee discusses the accounting principles and application of them with the external auditors.

#### Meeting held by committee

The Audit and Risk Committee generally holds quarterly meetings to, among others review the Company's interim and year-end results. At least two of these meetings shall be held to accommodate discussion around risk and compliance matters. The Committee Chairperson reports on key matters addressed by the Committee at each board meeting.

Meetings of the Committee are held as frequently as the Committee considers appropriate. During the year ended 31 December 2021, the Committee met four times, in March, June, September and November. All non-executive and executive directors were present at each meeting.

### COMPOSITION

The Audit and Risk Committee is chaired by Andrew Murgatroyd CA(SA) and its other members are Herman Singh B.Sc. (Mech) Eng. and Johan Nel CA(SA). All members are independent non-executive directors and were appointed as members of the Committee on 27 November 2019.

A representative of the Designated Advisor attends all of the Committee meetings in accordance with the JSE Listings Requirements. A standing invitation to meetings of this Committee is issued to the following individuals who can provide insight into the items under review:

- Chief Executive Officer
- Financial Director
- Representatives of the external auditor

## **RESPONSIBILITIES, INDEPENDENCE AND SUITABILITY OF THE EXTERNAL AUDITOR**

The Committee's responsibility includes recommending the appointment of the external auditors and overseeing the external audit process, including:

- Evaluating the performance and effectiveness of the external auditors and process, the independence of the external auditors, and considering and preapproving any material non-audit services;
- Considering and making recommendations to the board and shareholders on the appointment and retention of the external auditors, and ensuring their appointment complies with the Mauritius Companies Act and the JSE Listings Requirements;
- Approving the terms of engagement and remuneration for the external audit engagement; and
- Discussing, reviewing, considering and agreeing the external audit plan and reports.

The Committee continues to be satisfied that Nexia SAB&T as the external auditors are independent and that their appointment meets the requirements of the listing on the Johannesburg Stock Exchange (JSE) and the Companies Act of Mauritius.

The Committee assessed the suitability of the appointment of Nexia SAB&T as well as Johandré Engelbrecht as designated auditor in accordance with paragraph 3.84 (g) (iii) of the JSE Listings Requirements. The Company has further satisfied itself that the Nexia SAB&T and designated auditor are accredited to and appear on the JSE's list of accredited auditors and that the designated auditor is not on the JSE's list of disqualified audit partners.

Requisite assurance continues to be sought and continues to be provided so that internal governance processes within the firm support and demonstrate the claim to independence. The provision of any non-audit services by the external auditor requires pre-approval

by the Committee, during the year under review, Nexia SAB&T did not perform any non-audit services.

The Committee did not meet with the external auditors without management being present during the period under review.

## **FINANCIAL REPORTING**

The Committee is responsible for examining and reviewing any financial reports, updates or announcements prior to the submission and approval by the board for publication, focusing on:

- Risks relating to financial reporting and fraud risks;
- Balanced and fair presentation of annual financial statements;
- Consistency of applicable accounting policies and standards; and
- Areas of judgement, significant adjustments and going concern.

## **ACCOUNTING PRACTICES AND INTERNAL FINANCIAL CONTROLS**

The board has ultimate responsibility for the internal, financial and operating systems of the Company and for monitoring of their effectiveness. These systems are designed to provide reasonable but not absolute assurance against material misstatement and loss and the integrity and reliability of the financial statements.

The systems, which are monitored by the Committee on an ongoing basis in order to adapt to changing business circumstances, are designed to provide reasonable safeguards regarding:

- Unauthorised disposal or use of Company's assets;
- Risk of fraud and potential liability;
- Compliance with the relevant legislation and regulations; and
- The maintenance of proper accounting records.

The Committee is of the opinion that the Group's system of internal financial controls is sound and forms a basis for the preparation of reliable financial statements. Various frameworks, policies and procedures have been drafted and approved by management for further implementation. These frameworks, policies and procedures will streamline the Group's financial reporting as well as strengthen its internal controls.

The Committee accordingly confirms that 4Sight Holdings Limited has established appropriate financial reporting procedures and that those procedures are operating.

## RISK MANAGEMENT

The Committee is responsible for ensuring that 4Sight Group has implemented an effective enterprise risk management policy and process in order to provide level 2 assurance and enhance 4Sight Groups' ability to achieve its strategic and business objectives. To achieve that, the Committee is tasked with:

- Overseeing the development and annually review the enterprise risk management policy and plan; and
- Monitor and oversee the implementation of the enterprise risk management policy and plan so as to ensure integration with the relevant day-to-day activities of 4Sight Group.

## LEGAL AND REGULATORY COMPLIANCE

The Committee has complied with all applicable legal, regulatory and other responsibilities for the financial year.

### Financial director

The Committee has considered the effectiveness and appropriateness of the Company's Financial Director, Eric van der Merwe and the finance function during the year and believes that they are suitably qualified and experienced. The Committee also considered the Group's financial reporting systems and procedures and deems them to be effective as a basis for the preparation of reliable financial statements.

### Internal audit

The Committee is responsible to consider the need for an internal audit function, or for similar assurance services on an as-needed basis. Due to the size of the Company, no internal audit function has been established. The need for internal audit is considered and assessed on an ongoing basis.

### Terms of engagement and fees paid to external auditor

The Committee, in consultation, with the board, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the financial year ended 31 December 2021. The audit fee and expenses for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent

of the work required and the scope. The Committee considered the fee to be fair and appropriate. No payments has been made to Nexia SAB&T for non-audit services during the financial year as none was provided.

### Primary responsibility

The Committee's primary responsibility from an oversight perspective is:

- Assessing the independence of and recommending the appointment of the external auditors;
- Evaluating the performance of the external auditors;
- Reviewing the scope and effectiveness of the external audit functions;
- Determining the fees and expenses paid to the auditors and the auditor's terms of reference;
- Ensuring that the appointment of the auditor complies with the provision of the Companies Act and any other legislation relating to the appointment of auditors, the rotation of Audit Firms as well as designated audit partners;
- Agreeing to the timing and nature of reports from the external auditor;
- Considering any problems identified in the going concern or internal control statements;
- Ensuring that adequate books and records have been maintained;
- Ensuring the integrity, reliability and efficiency of the Company's risk management strategy / policy and portfolios;
- Ensuring that the Company adheres to the requirements of the relevant regulatory bodies including the Mauritius Financial Services Commission and the JSE;
- Resolving and dealing with any complaints concerning the accounting policies, the content and audit of financial statements and related matters;
- Fill any casual vacancy in the office of auditor should it arise; and
- Ensuring the expertise and experience of the Financial Director are appropriate.

## Approval of report

The Committee, to the best of their capability under the circumstances for the period under review, confirms that from 1 January 2021 to 31 December 2021 that the Committee has functioned in accordance with its terms of reference and as required by the Companies Act.

## Restatement of financial statements

During the 2021 financial period the Group identified information related to transactions entered into during the 2020 financial period, which was not available at the time of approving the 2020 financial statements. This new information indicated that certain transactions did not meet the revenue recognition principles in accordance with the Group's accounting policies (see note 31) and the Committee is satisfied with the disclosure. In order to correct this error, the financial results for the year ending 31 December 2020 have been restated retrospectively in accordance with the requirements of the financial reporting framework.

## Approval of financial statements

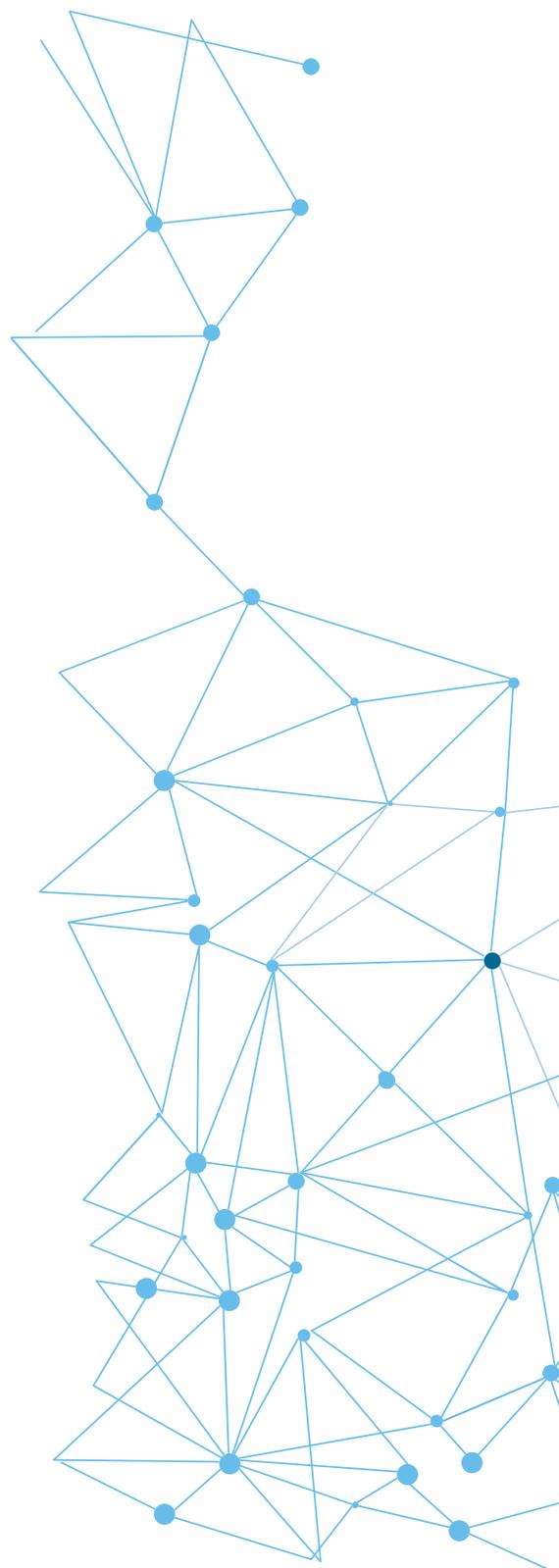
Following the Committee's review of the annual financial statements for the year ended 31 December 2021, the Committee is of the opinion that, in all material respects, they comply with the relevant provisions of the Companies Act and International Financial Reporting Standards (IFRS) and of the results of its operations, changes in equity and cash flows for the period then ended, and that they show a true and fair view of the financial position as at 31 December 2021 for 4Sight Holdings Limited and of its financial performance and cash flows for the year then ended.

## On behalf of the Audit and Risk Committee



*Andrew Murgatroyd*

Andrew Murgatroyd  
Chairperson: Audit and Risk Committee  
29 April 2022



## SECTION 19 | STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The board of directors is responsible for the preparation, integrity and fair presentation of the annual financial statements of the 4Sight Group. The financial statements presented have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards board (IASB) and IFRIC interpretations (collectively IFRS), and the Mauritius Companies Act of 2001, and include amounts based on judgements and estimates made by management.

The board considered whether in preparing the financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates.

The board is satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of the 4Sight Group at the year ended 31 December 2021.

The board has responsibility for ensuring that proper records are kept to enable the preparation of the financial statements in compliance with relevant legislation.

The going concern basis of accounting has been adopted in preparing the financial statements. The directors have no reason to believe that 4Sight and the Group will not be a going concern in the foreseeable future.

The consolidated financial statements were audited by Nexia SAB&T who expressed an unqualified opinion thereon.

### BOARD APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 31 December 2021 were prepared under the supervision of the Financial Director, Eric Van Der Merwe, and approved by the board of directors on 25 March 2022 and are signed on its behalf by:



*Tertius Zitzke*

Tertius Zitzke  
Chief Executive Officer (CEO)  
25 March 2022



*Kamil Patel*

Kamil Patel  
Chairperson  
25 March 2022

## SECTION 20 | CHIEF EXECUTIVE OFFICER AND FINANCIAL DIRECTOR RESPONSIBILITY STATEMENT



The directors, whose names are stated below, after due, careful and proper consideration confirm that:

- a) The consolidated financial statements, set out on pages 80 to 154, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of International Financial Reporting Standards;
- b) No facts have been omitted or untrue statements made that would make the consolidated financial statements false or misleading;
- c) Internal financial controls have been put in place to ensure that material information relating to the Group and consolidated subsidiaries have been provided to effectively prepare interim results and the annual financial statements of the Group; and
- d) The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King IV Report™. Where we are not satisfied, we have disclosed to the Audit and Risk Committee and the external auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors and have taken the necessary remedial action.



*Tertius Zitzke*

Tertius Zitzke  
Chief Executive Officer  
29 April 2022



*Eric van der Merwe*

Eric van der Merwe  
Financial Director  
29 April 2022



The directors have pleasure in submitting their report on the consolidated financial statements of the Group for the year ended 31 December 2021.

### INCORPORATION

4Sight Holdings Limited (“4Sight” or “Company” or “Group”) was incorporated in the Republic of Mauritius on 28 June 2017 and obtained its certificate to commence business on the same day.

The Company is domiciled in the Republic of Mauritius. The registered office is situated at c/o Navitas Management Services Limited, Navitas House, Robinson Lane, Floréal, Mauritius. The board secured Shareholder approval to redomicile the company in South Africa, whilst retaining the listing on the JSE.

As a result, 4Sight will adopt a new memorandum of incorporation that is in compliance with the Companies Act, No 71 of 2008, as well as the JSE Listings Requirements. The Company has commenced with the process of the transfer of its registration from the Republic of Mauritius to the Republic of South Africa, including lodging the requisite statutory form(s) with the South African Companies and Intellectual Property Commission.

4Sight listed on the Alternative Exchange of the JSE on 19 October 2017.

### NATURE OF BUSINESS

As a multinational, diversified technology group, our purpose is to leverage our portfolio of Fourth Industrial Revolution (4IR) technologies, people and data-focused solutions to design, develop, deploy and grow solutions for our partners, including both customers and technology vendors.

4Sight focuses on a cross section of established, new, and emerging technologies. These include artificial intelligence solutions with machine learning, big data, cloud and business intelligence solutions, digital twin and simulation, information and operational technologies, production scheduling, horizontal and vertical integration, industrial Internet of Things, cloud service provider, robotic process automation, and augmented and virtual reality solutions.

These 4IR technologies manifest in the various solutions we deliver to customers across all industries in both the private and public sectors. 4Sight is the “Digital Transformation Partner of Choice” to quantum leap businesses into the realm of Enterprise 5.0.

The holding company does not trade and all its activities are undertaken through its principal subsidiaries. A significant portion of 4Sight's investment portfolio constitutes South African companies. While the majority of the Group's operations are based in South Africa the Group continues to operate in some 57 countries.



## FINANCIAL OVERVIEW

A review of the operational and financial results of 4Sight Group is included in the Chairperson's Review and Message from the Chief Executive Officer on pages 14 to 20 of the Integrated Report.

The Group achieved a comprehensive income over the financial year of R11.915 million (2020: R15.721 million).

## SHARE CAPITAL

Refer to note 10 of the consolidated financial statements for detail of the movement in issued share capital.

## DIVIDEND POLICY

The board has agreed a formal dividend pay-out policy of at least 6.6 times cover, being at least 15% of headline earnings of the consolidated group of companies, unless the board is of the opinion that a lower dividend is to be declared because of the necessity to apply the Group's cash resources to any planned acquisitions or that it is in the interest of the Group to build up cash reserves for foreseeable unfavourable market or economic conditions.

The board shall not authorise a dividend unless it is paid out of retained earnings, after having made good any accumulated losses at the beginning of the accounting period as required in terms of section 63 (1)(c) of the Mauritius Company's Act of 2001.

No dividend has been declared for the financial year ended 31 December 2021 (2020: R nil).

## SHARE PRICE AND DISCOUNT TO NAV

The Company's shares trade on the Alternative Exchange of the JSE at prices independent of the Company's NAV; hence, the share price will not necessarily track the NAV performance. The board is committed to a policy of enhancing long-term shareholder value and will continue to monitor the Company's share price performance and the discount to NAV and may consider further share repurchases subject to liquidity levels.

## CORPORATE GOVERNANCE

Details regarding 4Sight's compliance and commitment to corporate governance practices and confirmation of the application of the King IV™ Report are provided in the Governance Report on pages 63 to 72.



## BOARD OF DIRECTORS

The board of directors consists of nine members, seven of who are non-executive directors. There were no changes to the directors during the year. The directors in office at the date of this report are as follows:

Directors	Office	Designation	Nationality	Changes
Tertius Zitzke	Chief Executive Officer	Executive Director	South African	Appointed 29 October 2019
Eric van der Merwe	Financial Director	Executive Director	South African	Appointed 29 October 2019
Kamil Patel*	Chairperson	Non-Executive Independent	Mauritian	Appointed 29 November 2019
Dr Sidharth Sharma*		Non-Executive Independent	Mauritian	Appointed 20 December 2019
Andrew Murgatroyd		Non-Executive Independent	South African	Appointed 29 October 2019
Marichen Mortimer		Non-Executive Independent	South African	Appointed 29 October 2019
Christopher Crowe		Non-Executive Independent	Australian	Appointed 29 October 2019
Johan Nel		Non-Executive Independent	South African	Appointed 29 October 2019
Herman Singh		Non-Executive Independent	South African	Appointed 29 October 2019

\*KT Patel and Dr S Sharma are resident in the Republic of Mauritius.

## DIRECTORS' INTERESTS IN THE COMPANY

As at 31 December 2021, the directors of the Company held direct and indirect beneficial interests in 22.1 % (2020: 21.8%) of its issued ordinary shares, as set out below:

Directors	2021		2020	
	Direct	Indirect	Direct	Indirect
Tertius Zitzke	43 474 569	91 599 346	43 474 569	91 599 346
Johan Nel	-	10 000 000	-	8 000 000
Andrew Murgatroyd	332 613	-	202 613	-
Marichen Mortimer	138 888	-	138 888	-
	<b>43 946 070</b>	<b>101 599 346</b>	<b>43 816 070</b>	<b>99 599 346</b>

## INTERESTS IN SHARES

The register of interests of directors and others in shares of the Company is available to shareholders upon written request to the Company. There have been no other changes in beneficial interests of the directors as of 31 December 2021 that occurred between the end of the reporting period and the date of this report.

## NON-CURRENT ASSETS

The nature of the changes in non-current assets has been fully disclosed in the notes to the consolidated financial statements.

## INTERESTS IN SUBSIDIARIES, ASSOCIATES AND JOINT ARRANGEMENTS

Details of material interests in subsidiary companies are presented in the consolidated financial statements in note 34.

## EVENTS AFTER THE REPORTING PERIOD

Refer to note 33 of the consolidated financial statements for detail of the events after reporting period.

## GOING CONCERN

The directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

## SECRETARY

The board assessed Navitas Management Services' competence, qualifications, experience, independence, suitability and performance and found Navitas Management Services to be competent and suitably qualified to act as Company Secretary.

## STATEMENT OF DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each person who is a director on the day that this report is approved:

- There is, so far as the person is aware, no relevant audit information of which the Company's auditor is unaware; and
- The person has taken all the steps that he ought to have taken as a director to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## TERMS OF APPOINTMENT OF THE EXTERNAL AUDITOR

Nexia SAB&T were appointed as the as the Group's JSE accredited auditor at the general meeting held on 25 June 2021. Shareholders wishing to inspect a copy of the terms on which the Company's auditor is appointed and remunerated may do so by contacting the Company Secretary.

A new external audit firm must be appointed by no later than 2026 in line with the Independent Regulatory Board for Auditors' rule on mandatory audit firm rotation.

Audit and Risk Committee has commenced with a process to ensure that a new firm is appointed by such time. In the meantime, the Audit and Risk Committee has concluded that the appointment of Nexia SAB&T will comply with the requirements of the Companies Act and the Regulations.

## DATE OF AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been authorised for issue by the directors on 29 April 2022. No authority was given to anyone to amend the consolidated financial statements after the date of issue.

We, the directors of 4Sight Holdings Limited, confirm to the best of our knowledge that this Public Interest Entity has complied with all its obligations and requirements under the Code of Corporate Governance (Code) under Section 75(3) of the Financial Reporting Act for the period 1 January 2021 to 31 December 2021.

## Approval of consolidated financial statements



*Tertius Zitzke*

Tertius Zitzke  
Chief Executive Officer (CEO)  
29 April 2022



*Kamil Patel*

Kamil Patel  
Chairperson  
29 April 2022

### COMPANY SECRETARY FUNCTION

Navitas Management Services Limited (Navitas) was appointed as Company Secretary on 18 September 2020. Navitas is a management company and has suitably qualified, competent and experienced staff to discharge its role as Company Secretary and is appropriately empowered to fulfil duties with regard to assistance to the board, in particular, in relation to applicable laws and regulations of the Republic of Mauritius. The directors have unlimited access to the advice and services of the Company Secretary.

The board considers Navitas to be independent of the board and the Company. Navitas is licensed by the Financial Services Commission of Mauritius to provide a comprehensive range of financial services to international businesses. For the year under review, the board assessed Navitas' competence, qualifications, experience, independence, suitability and performance and found Navitas to be competent and suitably qualified to act as Company Secretary for the current and next financial year.

Navitas as the Company Secretary of 4Sight Holdings Ltd is required to provide the directors, collectively and individually, with guidance as to their duties, responsibilities and powers. The Company Secretary is also required to ensure the directors are aware of all relevant laws and regulations affecting 4Sight Holdings Ltd and to report to any meetings of the shareholders of 4Sight Holdings Ltd or the directors, any failure on the part of 4Sight Holdings Ltd or a director to comply with the Constitution or rules of 4Sight Holdings Ltd or the Mauritius Companies Act.

The Company Secretary acts as an advisor to the board and plays a pivotal role in ensuring compliance with statutory regulations and King IV™ Report. The Company Secretary is also responsible for:

- Providing the board with guidance as to its duties, responsibilities and powers and in so doing assisting the board in ensuring that the Group complies with statutory and regulatory requirements of the Republic of Mauritius;
- Tabling of information on relevant regulatory and legislative changes;
- Informing the board of all legislation relevant to or affecting meetings of shareholders and directors and reporting at any meetings and the filing of any documents required of the company and any failure to comply with such legislation;
- Provides guidance to the board regarding directors' duties and good governance, and ensures that board and board Committee charters are kept up to date;
- Provides assistance with the preparation and finalisation of board and board Committee agendas based on annual workplan requirements;
- Prepares and circulates board papers and assists with response handling, input and feedback for board and board Committee meetings;
- Ensures that detailed minutes of board and committee meetings are kept and that board decisions are distributed, tracked and reported upon in collaboration with the Executive directors;
- Ensures that all statutory registers are properly maintained;
- Certifying the annual financial statements of the Company that the Company has filed with the Registrar all such returns as are required of the company under the Mauritius Companies Act;
- Ensures that proper procedures are followed and that the statutory obligations and obligations under the Constitution are complied with;
- Assists with the annual review of the performance of the board, board Committees and individual directors;
- Ensuring that a copy of the Company's annual financial statements and the annual report are sent in accordance with sections 219 and 220 to every person entitled to such statements or report in terms of the Mauritius Companies Act;
- Ensures that rules regarding conflict of interest management applicable to the board, as defined in the Declaration of Interests Policy and Code of Ethical Conduct are observed, and keeps evidence thereof;
- Provides corporate governance advice to the board members on all governance matters and issues;
- Supports the Chairperson in making the board members aware of significant relevant laws, regulations and codes; and
- Generally supports the Chairperson of the board in the organisation of the affairs of the board.

The board has considered the individuals at Navitas who perform the company secretarial functions, as well as the directors and shareholders of Navitas, and is satisfied that there is an arm's length relationship. The board is also satisfied with the competence, qualifications and experience of the Company Secretary Function and that the firm appointed is fit and proper to be appointed a company secretary.

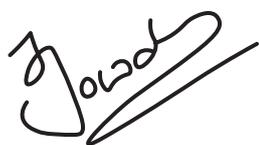
Company secretarial services with respect to South Africa registered companies, which are part of the 4Sight Group is provided by the internal legal department of the Group who performs the function of the Company Secretary. The Company Secretary in South Africa is responsible for:

- Ensuring compliance with all board procedures;
- Ensuring that the directors have access to the advice and services of the Company Secretary;
- Assisting with the director induction and training programmes;
- Assisting with the appointment of directors;
- Guiding the board on the duties of directors and good governance within the context of the South African Companies Act and King IV™ Report;
- Ensuring that board and committee charters are kept up to date;
- Circulating board papers; and
- Circulating minutes of board and committee meetings.

## COMPANY SECRETARY CERTIFICATION

### As Per Section 166(d) Of the Mauritius Companies Act 2001

We certify that we have filed with the Registrar of Companies in the Republic of Mauritius all such returns as are required of 4Sight Holdings Limited under the Mauritius Companies Act 2001 for the year ended 31 December 2021.



Navitas Management Services Limited  
Company Secretary  
29 April 2022

## SECTION 23 | INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 4Sight Holdings Limited

### Report on the Audit of the Consolidated Financial Statements

#### OPINION

We have audited the consolidated financial statements of 4Sight Holdings Limited and its subsidiaries (the Group) set out on pages 101 to 154, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income or loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listing Requirements.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa.

We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of goodwill and intangibles assets with an indefinite useful life</b></p> <p>The Group recognised goodwill and intangible assets with an indefinite useful life in the amount of R178 million (2020: R178 million) and R32 million (2020: R29.5 million) respectively, as disclosed in note 3 and note 4 to the consolidated financial statements.</p> <p>The directors are required to perform an annual impairment test on the recoverability of goodwill and intangible assets with an indefinite useful life. The directors performed their assessment using discounted cash flow models to determine the value in use for each appropriate cash generating unit.</p> <p>There are several key complex assumptions and judgements applied in the valuation models, which include amongst others: revenue growth rate; operating margins and weighted average capital discount rate applied to the projected cash flows, as well as consideration of the continuing impact of COVID-19 on the assessment.</p> <p>Accordingly, the impairment test of goodwill and intangible assets with an indefinite useful life is a key audit matter due to the significant judgement and estimations involved in determining the recoverable amount of the cash generating unit.</p>	<p>We focused our audit testing of the impairment of goodwill and indefinite useful life intangible assets on the key assumptions made by the directors.</p> <p><b>Our procedures included:</b></p> <ul style="list-style-type: none"> <li>• Inspecting the list of cash generating units ('CGUs') to determine whether the business units have been allocated to the appropriate CGU;</li> <li>• Evaluating whether the models used by the directors to calculate the value in use of the individual cash generating units comply with the requirements of IAS 36 Impairment of Assets (IAS 36);</li> <li>• Analysing the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the cash generating unit to which the goodwill and indefinite useful life intangible assets relate;</li> <li>• Evaluating the inputs used by the directors in determining the discount rate against independent sources;</li> <li>• Calculating a discount rate for each cash generating unit using our independently sourced data and incorporated a further risk premium for the impact of COVID-19 as part of our testing;</li> <li>• Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the reasonableness of the directors' projections.</li> </ul> <p>We found the methods, assumptions and data used by the directors to be appropriate based on historical performance, future outlook and current prevailing circumstances.</p> <p>We considered the goodwill and indefinite useful life intangible assets impairment assessment disclosures to be appropriate</p>

## Revenue

The Group generated revenue amounting to R577 million (2020: R511 million) as disclosed in note 15 to the consolidated financial statements, through the provision of hardware, software and continuous maintenance services over a variable period comprising both short and long-term periods.

The recognition and measurement of the revenue is based on complex principles due to the varying terms and conditions, which increases the risk associated with the recognition and measurement of revenue.

Furthermore, the varying terms and conditions of the revenue recognition process involves making critical judgements relating to the recognition and measurement of the performance obligations, based on the unique terms and conditions of the services being provided.

Our audit work included the testing of recognition and measurement principles of revenue, through the following procedures:

- Performed walkthroughs of the material revenue classes of transactions and evaluated the design and implementation of controls in this area;
- Selected a sample of transactions from the financial records and obtained the contractual agreements, delivery notes and other supporting documentation to test whether the measurement and recognition of the revenue generated for the period has been satisfactorily met in accordance with the requirements of IFRS 15; and

We found the recognition and measurement principles applied for revenue to be appropriate and in accordance with the financial reporting framework.

We considered revenue disclosures to be appropriate.



## Allowance for expected credit losses

The Group reflected R95.5 million (2020: R72.8 million) worth of trade receivables as disclosed in note 8 to the consolidated financial statements against which an allowance for expected credit losses of R5 million (2020: R1 million) has been recognised.

The Group applies the simplified approach as permitted by IFRS 9, which requires expected lifetime credit losses to be recognised from initial recognition of the trade receivables.

Lifetime ECL's are based on probability weighted cash flows considering a range of possible outcomes and discounting these cash flows at the original effective interest rate, that includes initiation fees as they are integral to the effective interest rate.

The Group has established a provisioning matrix that is based on its actual incurred historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the related impact of COVID-19 on the assessment, which are affected by expected future market or economic conditions in which the Group operates.

Management performed an assessment of the trade receivable balances at year end based on an expected credit loss (ECL) impairment model.

The ECL impairment allowance of trade receivables under IFRS 9 is considered to be a key audit matter due to the significant extent of subjectivity and judgement involved in the assessment.

We obtained an understanding of the relevant policies and controls management had implemented in relation to the ECL impairment allowance of trade receivables and tested the application of these policies and controls.

### Our procedures included:

- Assessed the appropriateness of the methodology applied by management in their IFRS 9 model documentation, which forms the basis of the ECL calculation, against the requirements of IFRS 9;
- Tested the reasonability of the key assumptions, i.e. effective interest rate, probability weighted cash flows, historic loss rate and forward-looking information applied in the ECL calculation through independent recalculation with reference to independent sources of information obtained where applicable;
- For significant current and forward looking assumptions applied in the ECL model for the Group, we corroborated these assumptions using both internal and external sources and incorporated a further risk premium for the impact of COVID-19 as part of our testing;
- We assessed management's ECL allowance for the prior year against any debtors written off in the current period; and
- Re-performed the ECL impairment calculation based on the audit evidence provided for the trade receivables and compared it to the ECL impairment calculation performed by management to assess the reasonability of the ECL impairment calculation.

We found the method, assumptions and data used by the directors to be appropriate.

We considered the credit loss allowance for trade receivables to be appropriately disclosed.

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled “4Sight Holdings Limited Integrated Report for the year ended 31 December 2021” which includes the directors’ Report, the Audit and Risk Committee’s Report and the Company Secretary’s Function and Certification as required by the Companies Act of Mauritius and the Chief Executive Officer and Financial Director Responsibility Statement as required by the JSE Limited Listing Requirements. The other information does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, the JSE Limited Listing Requirements and the Companies Act of Mauritius and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.



## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of The Group for 5 years.

*Nexia SAB&T*

### Nexia SAB&T

J. Engelbrecht

Director

Registered Auditor

29 April 2022

119 Witch Hazel Avenue, Highveld Technopark, Centurion, South Africa



## SECTION 24 | STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

Figures in ZAR	Note(s)	Group	Group	Group
		31 December 2021	31 December 2020	31 December 2019
			*Restated	*Restated
<b>ASSETS</b>				
<b>Non-Current Assets</b>		<b>264 103 394</b>	<b>257 524 652</b>	<b>314 098 713</b>
Property, plant and equipment	2	31 007 496	31 403 507	39 553 055
Goodwill	3	178 200 064	178 200 064	179 336 135
Intangible assets	4	37 912 832	34 625 949	76 524 639
Investment in associates		555 808	160 610	3 630 539
Deferred tax	5	16 427 194	13 134 522	13 519 345
Other financial assets	6	-	-	1 535 000
<b>Current Assets</b>		<b>160 248 723</b>	<b>153 544 912</b>	<b>205 664 993</b>
Inventories	7	2 459 889	1 271 056	1 536 127
Trade and other receivables	8	95 419 701	80 244 563	142 243 959
Contract assets		-	-	3 462 626
Other financial assets	6	200 000	369 016	2 657 331
Current tax receivable		3 697 393	5 391 736	4 030 842
Cash and cash equivalent	9	58 471 740	66 268 541	51 734 108
<b>Total Assets</b>		<b>424 352 117</b>	<b>411 069 564</b>	<b>519 763 706</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	10	273 987 961	228 408 875	817 852 423
Reserves		(24 094)	533 744 550	(43 341 954)
Retained Earnings (Accumulated loss)		35 139 440	(464 024 199)	(428 688 977)
<b>Attributable to equity holders of the parent</b>		<b>309 103 307</b>	<b>298 129 226</b>	<b>345 821 492</b>
Non-controlling interest	12	2 831 023	3 278 280	(1 943 043)
<b>Total Equity</b>		<b>311 934 330</b>	<b>301 407 506</b>	<b>343 878 449</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Other financial liabilities	13	11 637 186	13 658 397	21 059 657
Deferred tax	5	11 492	2 067 702	3 297 492
<b>Current Liabilities</b>				
Trade and other payables	14	97 814 922	87 078 894	84 647 412
Other financial liabilities	13	2 667 984	6 739 938	61 733 942
Contract liabilities		-	-	4 173 636
Current tax payable		286 203	117 127	973 118
<b>Total Liabilities</b>		<b>112 417 787</b>	<b>109 662 058</b>	<b>175 885 257</b>
<b>Total Equity and Liabilities</b>		<b>424 352 117</b>	<b>411 069 564</b>	<b>519 763 706</b>

\*Refer to note 31 for more information on restatement of comparative periods

# SECTION 25 | STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OR LOSS



FOR THE YEAR ENDED 31 DECEMBER 2021

Figures in ZAR	Note(s)	Group	
		31 December 2021	31 December 2020
			*Restated
<b>Continuing operations</b>			
<b>Revenue</b>	<b>15</b>	<b>576 812 211</b>	<b>511 072 203</b>
Cost of sales	16	(300 563 066)	(244 429 930)
<b>Gross Profit</b>		<b>276 249 145</b>	<b>266 642 273</b>
Other net income	17	5 209 846	80 813 250
Operating expenses		(270 075 138)	(329 481 245)
<b>Operating profit</b>	<b>18</b>	<b>11 383 853</b>	<b>17 974 278</b>
Investment Income		1 345 940	1 766 682
Income from equity accounted investments		395 199	33 834
Finance costs	19	(1 215 731)	(2 329 164)
<b>Profit before taxation</b>		<b>11 909 261</b>	<b>17 445 630</b>
Taxation	20	12 145	3 206 352
<b>Profit from continuing operations</b>		<b>11 921 406</b>	<b>20 651 982</b>
Loss from discontinued operations		-	(4 763 896)
<b>Profit for the year</b>		<b>11 921 406</b>	<b>15 888 086</b>
<b>Other comprehensive (loss) income:</b>			
<b>Items that may be subsequently reclassified to profit or loss</b>			
Unrealised exchange differences on translating foreign operations		(6 700)	(166 611)
<b>Other comprehensive loss for the period</b>		<b>(6 700)</b>	<b>(166 611)</b>
<b>Total comprehensive income for the period</b>		<b>11 914 706</b>	<b>15 721 475</b>
Owners of the parent		11 172 205	10 572 366
Non-controlling interest	12	749 201	5 315 720
<b>Profit attributable to</b>		<b>11 921 406</b>	<b>15 888 086</b>
Owners of the parent		11 165 505	10 405 755
Non-controlling interest	12	749 201	5 315 720
<b>Total comprehensive income attributable to</b>		<b>11 914 706</b>	<b>15 721 475</b>
From continuing operations		11 172 205	19 318 713
From discontinued operations		-	(8 746 347)
<b>Profit attributable to owners of the parent</b>		<b>11 172 205</b>	<b>10 572 366</b>
From continuing operations		749 201	1 333 269
From discontinued operations		-	3 982 451
<b>Profit attributable to non-controlling interest</b>		<b>749 201</b>	<b>5 315 720</b>
<b>Earnings per share</b>	<b>21</b>		
<b>Per share information in ZAR cents</b>			
Basic earnings per share (c)		1.70	1.33
Dilutive earnings per share (c)		1.70	1.21

\*Refer to note 31 for more information on restatement of comparative periods

## SECTION 26 | STATEMENT OF CHANGES IN EQUITY



	Share capital	Listing expenses	Treasury shares	Total share capital	Foreign currency translation reserve	Non-distributable Reserve	Total reserves	Retained Income/ (accumulated loss)	Total attributable to equity holders of the Group	Non-controlling interest	Total equity
<b>Restated balance at 31 December 2019</b>	<b>825 304 207</b>	<b>(6 794 681)</b>	<b>(657 103)</b>	<b>817 852 423</b>	<b>1 853 226</b>	<b>(45 195 180)</b>	<b>(43 341 954)</b>	<b>(428 688 977)</b>	<b>345 821 492</b>	<b>(1 943 043)</b>	<b>343 878 449</b>
Profit for the year (Restated)	-	-	-	-	-	-	-	10 572 366	10 572 366	5 315 720	15 888 086
Other comprehensive loss	-	-	-	-	(166 611)	-	(166 611)	-	(166 611)	-	(166 611)
<b>Total comprehensive (loss) income for the year (Restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(166 611)</b>	<b>-</b>	<b>(166 611)</b>	<b>10 572 366</b>	<b>10 405 755</b>	<b>5 315 720</b>	<b>15 721 475</b>
Issue of shares	42 861 436	-	(1 879 892)	40 981 544	-	-	-	-	40 981 544	-	40 981 544
Cancellation of treasury shares	(2 536 995)	-	2 239 995	(297 000)	-	-	-	-	(297 000)	-	(297 000)
Reduction of stated capital	(533 761 944)	-	-	(533 761 944)	-	533 761 944	533 761 944	-	-	-	-
Disposal of subsidiary operations	(96 366 148)	-	-	(96 366 148)	(1 704 009)	45 195 180	43 491 171	(45 810 433)	(98 685 410)	(191 552)	(98 876 962)
Changes in ownership interest in subsidiaries without a change in control	-	-	-	-	-	-	-	(97 155)	(97 155)	97 155	-
<b>Restated balance at 31 December 2020</b>	<b>235 500 556</b>	<b>(6 794 681)</b>	<b>(297 000)</b>	<b>228 408 875</b>	<b>(17 394)</b>	<b>533 761 944</b>	<b>533 744 550</b>	<b>(464 024 199)</b>	<b>298 129 226</b>	<b>3 278 280</b>	<b>301 407 506</b>
Profit for the year	-	-	-	-	-	-	-	11 172 205	11 172 205	749 201	11 921 406
Other comprehensive income loss	-	-	-	-	(6 700)	-	(6 700)	-	(6 700)	-	(6 700)
<b>Total comprehensive (loss) income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 700)</b>	<b>-</b>	<b>(6 700)</b>	<b>11 172 205</b>	<b>11 165 505</b>	<b>749 201</b>	<b>11 914 706</b>
Restructure of equity	45 579 086	-	-	45 579 086	-	(533 761 944)	(533 761 944)	488 182 858	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(1 387 882)	(1 387 882)
Changes in ownership interest in subsidiaries without a change in control	-	-	-	-	-	-	-	(191 424)	(191 424)	191 424	-
<b>Balance at 31 December 2021</b>	<b>281 079 642</b>	<b>(6 794 681)</b>	<b>(297 000)</b>	<b>273 987 961</b>	<b>(24 094)</b>	<b>-</b>	<b>(24 094)</b>	<b>35 139 440</b>	<b>309 103 307</b>	<b>2 831 023</b>	<b>311 934 330</b>
Note(s)				10		11				12	

## SECTION 27 | STATEMENT OF CASH FLOWS



Figures in ZAR	Note(s)	Group	
		31 December 2021	31 December 2020
			*Restated
<b>Cash flows from operating activities</b>			
Cash generated from operations	22	4 278 324	48 207 470
Investment income		1 345 940	2 302 455
Finance costs		(938 041)	(172 789)
Dividends Paid		(1 387 882)	-
Tax paid	23	(3 255 736)	(7 646 315)
<b>Net cash generated from operating activities</b>		<b>42 605</b>	<b>42 690 821</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1 561 862)	(3 759 289)
Proceeds on disposal of property, plant and equipment		58 883	2 786 147
Purchase or development of intangible assets		(4 340 243)	(8 528 863)
Net cash received (forfeited) through business combinations		469 944	(3 935 516)
Proceeds from other financial assets		169 016	2 169 681
Net cash forfeited through disposal of subsidiaries		-	(11 022 044)
<b>Net cash used in investing activities</b>		<b>(5 204 262)</b>	<b>(22 289 884)</b>
<b>Cash flows from financing activities</b>			
Repayment of other financial liabilities		(2 645 361)	(6 298 415)
<b>Net cash used in financing activities</b>		<b>(2 645 361)</b>	<b>(6 298 415)</b>
<b>Total cash movement for the period</b>		<b>(7 807 018)</b>	<b>14 102 522</b>
Total cash at the beginning of the period		66 268 541	51 734 108
Foreign currency translation		10 217	431 911
<b>Total cash at end of the period</b>		<b>58 471 740</b>	<b>66 268 541</b>

\*Refer to note 31 for more information on Restatement of comparative periods



### CORPORATE INFORMATION

4Sight Holdings Ltd is a Public Company incorporated and domiciled in Mauritius. The Company was incorporated on 28 June 2017. The consolidated financial statements for the period ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 29 April 2022.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below and were consistently applied in the previous year, except for the change in presentation currency as disclosed in the latter part of these consolidated financial statements.

##### 1.1. Basis of preparation

The consolidated financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (“IFRS”) and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations issued and effective at the time of preparing these consolidated financial statements, the JSE Limited Listings Requirements and the Mauritian Companies Act.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below.

##### 1.2. Consolidation

###### Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries (“the Group”) as if they formed a single entity.

Where the Company has control over an investee, it is classified as a subsidiary. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group’s interest therein and are recognised in equity.

Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for the non-controlling interest. When the Group ceases to have control, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

###### Consolidation procedures

Adjustments are made when necessary to the consolidated financial statements of subsidiaries to bring their accounting policies in line with those of the Group. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

###### Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly

attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity that are recognised within equity.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are generally recognised at their fair value. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Non-controlling interests are

present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

### 1.3. Property, plant and equipment

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Item	Depreciation method	Average useful life
Buildings	Straight Line	Unlimited
Land	Straight Line	Unlimited
Plant and equipment	Straight Line	10
Furniture and fixtures	Straight Line	6
Motor vehicles	Straight Line	5
Office equipment	Straight Line	5-6
IT Equipment	Straight Line	2-3
Lease hold improvement	Straight Line	3-5

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting

period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

## 1.4. Goodwill

Goodwill arising from an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but is tested at least annually for impairment.

If goodwill is assessed to be impaired, that impairment is not subsequently reversed. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill arising on the acquisition of foreign entities is considered an asset of the foreign entity.

## 1.5. Intangible assets

Intangible assets are initially recognised at cost. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for as a change in accounting estimate.

Intangible assets with an indefinite useful life are not amortised. Instead, they are tested for impairment annually and whenever there is an indication that the asset may be impaired.

## Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## Internally generated intangible assets

Internally generated intangible assets are recognised initially at cost, being the sum of expenditure from the date the recognition criteria for an intangible asset are met, bearing in mind the following additional criteria:

- During the research phase, no intangible asset is recognised. Expenditure on research is recognised as an expense when it is incurred.
- During the development phase, an intangible asset will be recognised only if the following can be demonstrated:
  - It is technically feasible to complete the intangible asset so that it will be available for use or sale;
  - There is an intention to complete the intangible asset and use or sell it;
  - There is an ability to use or sell the intangible asset;
  - It is possible to demonstrate how the asset will generate probable future economic benefits;
  - There are available financial, technical and other resources to complete the development of the intangible asset as well as to use or sell the intangible asset;
- The expenditure attributable to the intangible asset during the development phase can be reliably measured.

Research or development expenditure related to an in-process research or development project acquired separately or in a business combination and recognised as an intangible asset, and is incurred after the acquisition of that project, is also accounted for in this way.

## Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are accounted for on the same basis as intangible assets that are acquired separately.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful Life
Patents and trademarks	Indefinite
Computer Software	18 - 36 months

### 1.6. Financial instruments

Financial instruments comprise loans receivable, other financial assets, trade and other receivables (excluding prepayments, deposits and value-added taxation), cash and cash equivalents, trade and other payables (excluding value-added taxation and payroll accruals) and other financial liabilities.

#### Recognition

Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

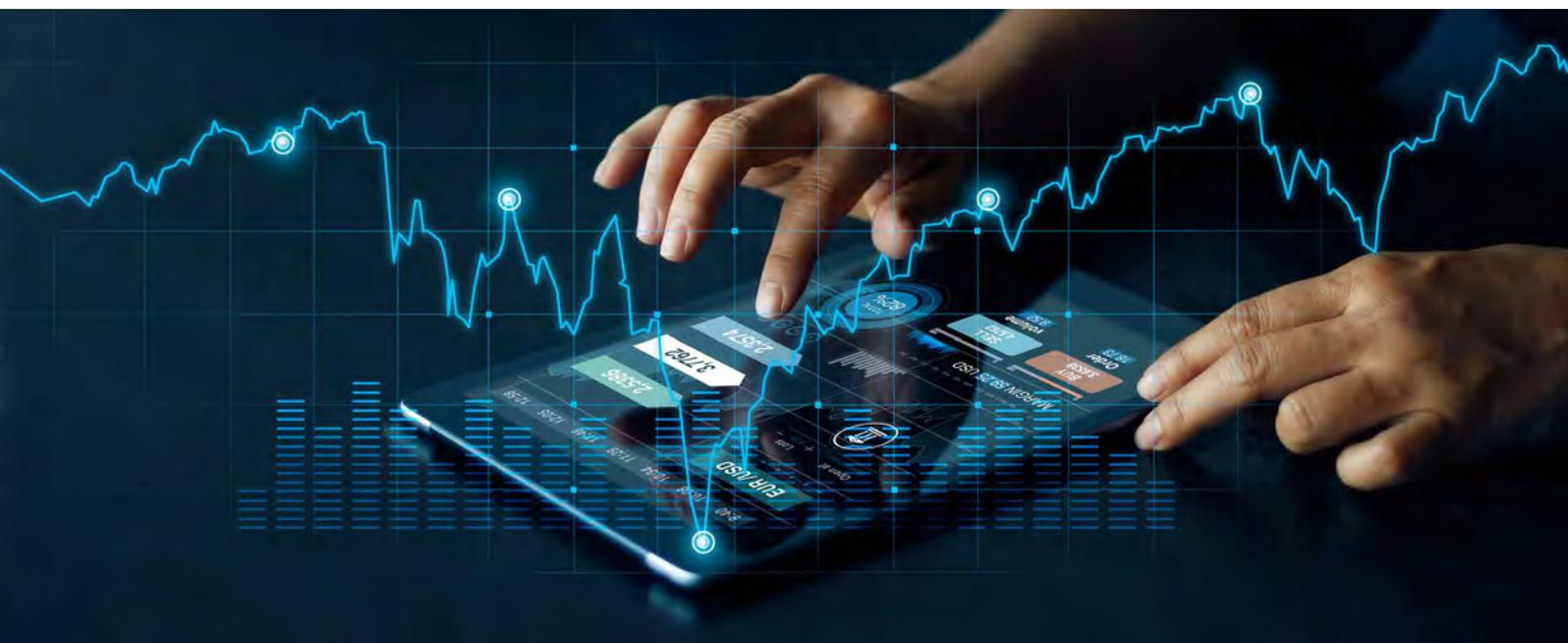
Financial assets are classified as current if expected to be realised or settled within 12 months from the reporting date; if not, they are classified as non-current.

Financial liabilities are classified as non-current if the Group has an unconditional right to defer payment for more than 12 months from the reporting date.

#### Classification

The Group classifies financial assets on initial recognition as measured at amortised cost as the Group's business model and objective is to hold the financial asset in order to collect the contractual cash flow and the contractual terms allows for cash flows on specified dates for the payment of the principal amounts outstanding.

Financial liabilities are classified and measured at amortised cost or fair value through profit or loss depending on the nature of the instrument.



## Measurement on initial recognition

All financial assets and liabilities are initially measured at fair value, including transaction costs. Transaction costs of financial liabilities carried at fair value through profit and loss are expensed in profit or loss.

## Subsequent measurement

Financial assets held at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Contingent consideration arising on acquisition of businesses is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss. The liability for amounts due to vendors represents the expected purchase consideration owing in respect of acquisitions which will be settled either through the issue of cash resources or a variable number of the Company's own equity instruments, once the relevant profit warranties have been fulfilled.

## Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

## Impairment of Financial Assets not carried at fair value

The Group calculates its allowance for credit losses based on expected credit losses (ECLs) for financial assets measured at amortised cost and contract assets. ECLs are a probability-weighted estimate of credit

losses. Credit losses are measured as the present value of all cash shortfalls (the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime credit losses to be recognised from initial recognition of the receivables through utilisation of a provisioning matrix. The method selected is dependent upon the availability of information relating to historic losses.

The inputs used in the calculation of the ECLs are based on published indexes which incorporates an element of forward-looking information specific to the financial instruments and the economic environment.

The Group considers a financial asset in default when contractual payments are 270 to 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## Fair value measurements for financial instruments not measured at fair value

The carrying value of financial assets and financial liabilities at amortised cost approximates their fair value, taking into account the market related interest rate charged and/or short-term nature of these instruments.

## 1.7. Tax

### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## Tax expenses

Current and deferred taxes are recognised as an income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- A business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

## 1.8. Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

## 1.9. Impairment of non-financial assets

### Frequency of testing

Goodwill and intangible assets not subject to amortisation are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication of impairment. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

### Calculating impairment

When an impairment calculation is performed, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

If there is an indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased,

the recoverable amounts of those assets are estimated. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no previous impairment loss been recognised for the asset (or cash-generating unit). A reversal of an impairment loss is recognised immediately in profit or loss.

### 1.10. Share capital and equity

Ordinary shares are recognised at no par value and classified as 'share capital' in equity.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity.

Repurchased shares held by subsidiaries are classified as treasury shares and presented as a deduction from total equity.

### 1.11. Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

### Long-term incentive share payments

The Group remunerates certain qualifying executives employed in the Group through the issue of shares for long term employment. Subject to meeting certain vesting conditions over a predetermined employment period, shares are issued to qualifying executives on vesting date. The vesting period is normally three years from the initial date of the grant provided that the participants are still in the employment of the Group. The grant date fair value of the vesting instruments is determined utilising an appropriate valuation model, with the cost associated with the incentive being expensed over the vesting period.

### 1.12. Other income

Other income includes foreign exchange gains, profit on disposal of tangible and intangible assets, fair value gains on re-measurement of contingent consideration payable and employee tax incentives received.

In South Africa, the Group received employee tax incentives from hiring young unemployed work seekers. As a condition of the arrangement, the employee must adhere to certain qualifying criteria. The employee incentive income was recognised in profit or loss once the benefit from the incentive materialised.

Other income is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided which are not part of the normal course of business, net of value added tax.

### 1.13. Related parties

Related parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operational decisions.

Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and this includes all directors, both executive and non-executive, of the Group.

### 1.14. Translation of foreign currencies

#### Functional and presentation currency

Items included in the consolidated financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated financial statements are presented in South African Rand (ZAR) which is the Company's functional and presentation currency.

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity.

When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in South African Rand (ZAR) by applying to the foreign currency amount the exchange rate between the South African Rand (ZAR) and the foreign currency at the date of the cash flow.

#### Investments in foreign subsidiaries

The results and financial position of a foreign operation is translated into the presentation currency using the following procedures:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flow of a foreign subsidiary is translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

### 1.15. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributed to ordinary shareholders and the weighted average number of ordinary shares outstanding by the dilutive effects of the theoretical exercise of all potential ordinary shares on these two numbers respectively.

The Group discloses headline earnings per share as determined in accordance with Circular 1/2021, headline earnings, as issued by the South African Institute of Chartered Accountants, pursuant to the JSE Limited Listing Requirements. Headline earnings represent net profit for the year attributable to equity holders of the Group, excluding certain defined separately identifiable remeasurements.

### 1.16. Revenue contracts with customers

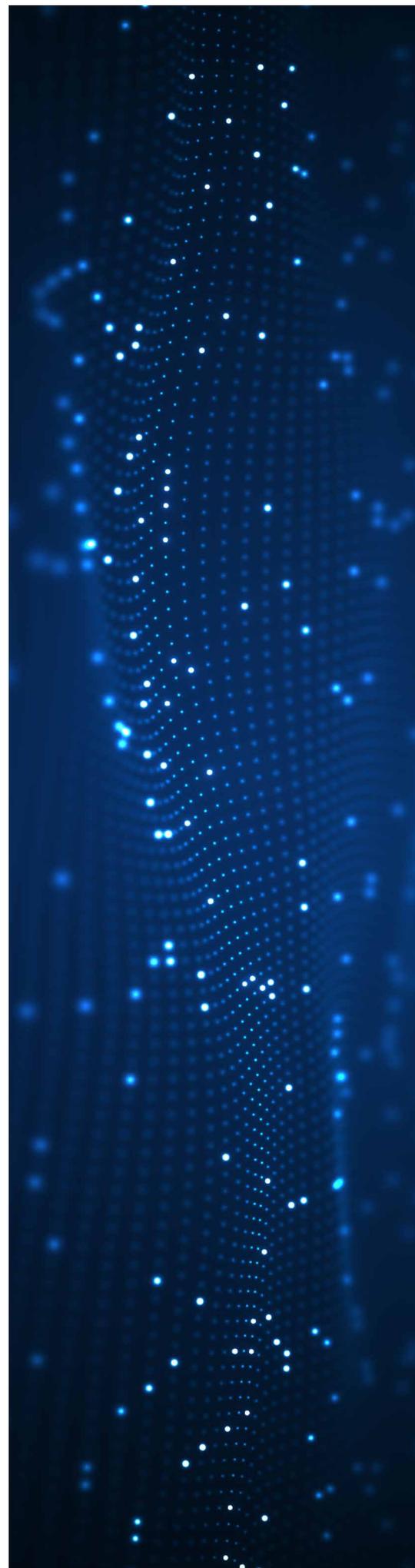
Revenue is measured based on the transaction price which is the amount of consideration an entity expects to be entitled to in exchange for the transfer of promised goods or services to a customer, which is specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following indicators are used by the Group in determining when control has passed to the customer:

- The Group has a right to payment for the product or service;
- The customer has legal title to the product;
- The Group has transferred physical possession of the product to the customer;
- The customer has the significant risk and rewards of ownership of the product; and
- The customer has accepted the product.

The Group has generally concluded that it is acting as the principal in its revenue arrangements.

Contracts are assessed individually to determine whether the products and services are distinct i.e. the product or service is separately identifiable from other items in the contract with the customer and whether the customer can benefit from the goods or services either on its own or together with other resources that are readily available. The consideration is allocated between the goods and services in a contract based on management's best estimate of the standalone selling prices of the goods and services.



## Significant judgments within revenue recognition

Our contracts with customers often include promises to transfer multiple products and services to a customer, for instance goods, software and support and maintenance. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgement.

When a software-based service includes both on-premises software licenses and services and support, judgement is required to determine whether the software license is considered distinct and accounted

for separately, or not distinct and accounted for together with the support and maintenance and recognised over time. Certain direct tariff solution software depends on a significant level of integration, interdependency, and interrelation between the desktop applications and various other services and are accounted for together as one performance obligation.

The stand-alone selling price of an integrated product offering is considered on a transaction basis by taking into account the contractual terms of those arrangements stand-alone selling price in an integrated product offering where various distinct performance obligations exist.



## Nature of significant revenue streams

The Group's revenue streams consist of the major products and services lines set out below, which includes a description of the principal activities from which the Group generates its revenue, significant judgements applied in assessing the timing of measurement of performance obligation and the transaction price allocated to performance obligations. These product and service lines are applied across all segments.

<b>Major product lines over time</b>	
<b>Products and services</b>	<b>Nature, timing of satisfaction of performance obligations and significant payment terms</b>
Software license as a Service with Support and maintenance	<p>Certain software licensing programs include on-premises licenses combined with continuous Software Support and Maintenance.</p> <p>Software license as a service with support and maintenance conveys rights to access the licensed software and upgrades released over the contract period and provides support, tools, and training to help customers deploy and use products more efficiently.</p> <p>Revenue is determined as a percentage of completion using the following methods: work completed over estimated work required to complete the service; and the cost incurred at period end over the total estimated costs to complete the service</p>
Consulting	Revenue related to consulting services over a period of time comprises mostly long-term contractual agreements to deliver support and maintenance services on a periodic basis. Revenue from consulting services over a period of time is recognised over the contract period.
<b>Major product lines at a point in time</b>	
<b>Products and services</b>	<b>Nature, timing of satisfaction of performance obligations and significant payment terms.</b>
Licenses	<p>Licenses for on-premises software provide the customer with a right to use the software as it exists when made available to the customer.</p> <p>Customers may purchase perpetual licenses or subscribe to licenses, which provide customers with the same functionality and differ mainly in the duration over which the customer benefits from the software.</p> <p>The revenue recognised from licenses are based on fixed prices as per contractual terms and/or agreement with customers</p>
Installation and implementation services	Revenue from installation and implementation services is recognised once the installation and implementation is complete, and the customer takes ownership of the product.

Consulting	Revenue related to consulting services comprises mostly specialised resources based on agreed upon hours and rates or amounts with the customer. Revenue from consulting services is recognised as services are provided.
Support and maintenance	Revenue related to support and maintenance services comprises mostly support services or maintenance required on existing software.  Revenue from support and maintenance services is recognised as ad-hoc services are provided and the necessary repairs, maintenance or equivalent services has been completed to the customer's satisfaction.
Physical goods	Revenue from physical goods is recognised at the point in time when ownership of the goods is transferred, and the customer takes control of the goods.

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

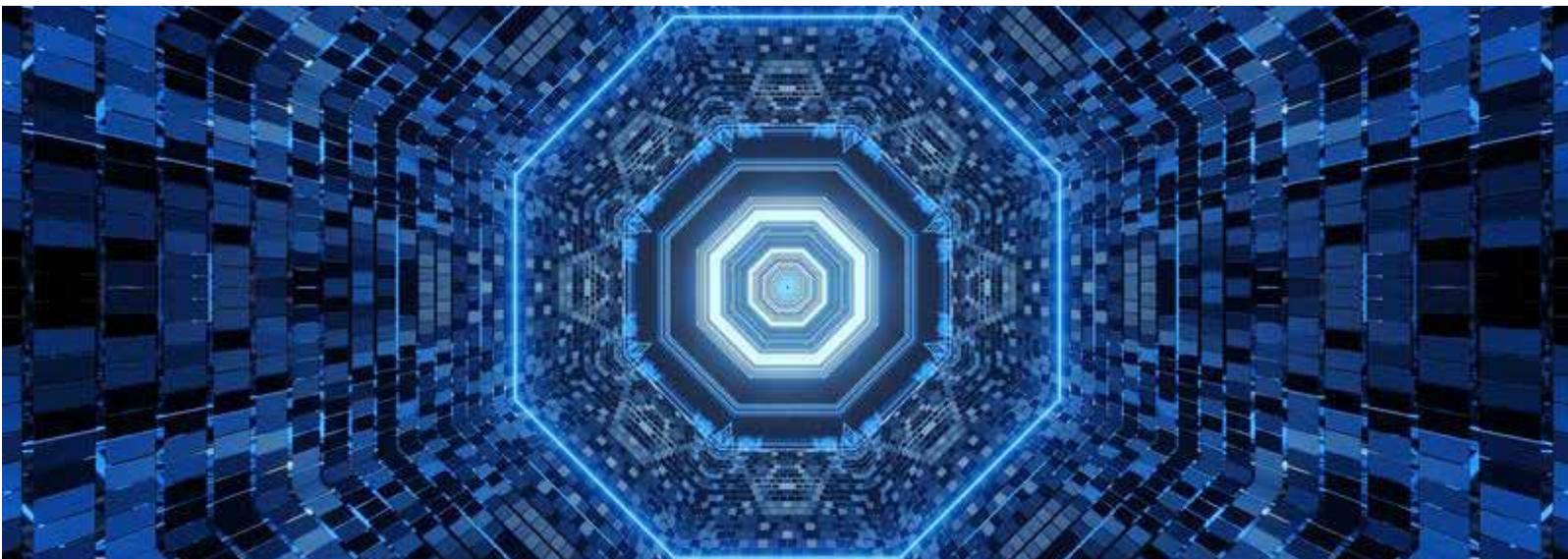
### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### 1.17. Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group, and which is abandoned or disposed of or is classified as held-for-sale and which represents a separate major line of business or geographical area of operation and is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets all of the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is represented, as if the operation has been discontinued from the start of the comparative period.



## 1.18. Significant accounting judgement and sources of estimation uncertainty

In preparing the consolidated financial statements, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts presented in the consolidated financial statements and related disclosures. Use of available information, historical experience and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Where relevant, the Group has provided sensitivity analysis demonstrating the impact of changes in key estimates and assumptions on reported results.

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated annual financial statements:

### Deferred taxation assets

#### *Judgement around future financial performance*

Refer to note 5 Deferred taxation for further disclosure related to the judgements applied in recognition of deferred taxation assets stemming from tax losses.

### Revenue

#### *Judgement in recognition of revenue at a point in time or over time*

Refer to accounting policy 1.16 Revenue contracts with customers for further disclosure related to the judgements applied in recognition of revenue.

### Impairment of goodwill and intangible assets

#### *Estimates in determining the recoverable amount of the asset or cash generating unit*

Refer to note 3 Goodwill for further disclosure related to the estimates applied in determination of the recoverable amount of the cash generating unit.

### Revenue

#### *Estimation of measuring progress towards satisfaction of performance obligations based on cost incurred, inputs versus milestones*

Refer to accounting policy 1.16 Revenue contracts with customers for significant judgements.

### Impairment of trade receivables and contract assets

#### *Estimates in calculating the expected credit loss provision on trade receivables and contract assets*

Refer to note 28 Risk Management for further disclosure related to the estimates applied in determination of the expected credit loss allowances.

### Deferred vendor liability

#### *Contingent consideration payable*

Refer to accounting policy 1.6 Financial Instruments for further disclosure related to the estimates applied in determination of the deferred vendor liabilities.





## 1.19. First time adoption of new accounting standard

### New standards applicable and not early adopted in 2021

The Group does not expect the first-time adoption of these standards and interpretations to have a material impact on the Group's results.

Standard	Description	Effective date
IFRS 3 Business Combinations	Reference to the Conceptual Framework: The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
IAS 1 Presentation of Financial Statements	<ul style="list-style-type: none"> <li>Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.</li> <li>Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.</li> </ul>	1 January 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.	1 January 2023
IAS 12 Income Taxes	Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.	1 January 2023
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts—Cost of Fulfilling a Contract: The amendments specify which costs should be included in an entity's assessment whether a contract will be loss-making.	1 January 2022

## 2. PROPERTY, PLANT AND EQUIPMENT

Figures in ZAR	2021			2020			2019		
	Cost	Accumulated depreciation	Carrying Value	Cost	Accumulated depreciation	Carrying Value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	1 531 838	(761 513)	770 325	1 459 532	(610 033)	849 499	2 135 550	(1 402 791)	732 759
IT equipment	4 617 023	(2 852 084)	1 764 939	3 805 924	(2 361 478)	1 444 446	10 104 247	(8 154 108)	1 950 139
Land and buildings	27 269 814	-	27 269 814	27 269 814	-	27 269 814	33 670 740	-	33 670 740
Motor vehicles	1 171 638	(608 040)	563 598	1 678 479	(944 831)	733 648	2 010 704	(1 222 479)	788 225
Office equipment	187 700	(116 168)	71 532	152 500	(95 784)	56 716	197 893	(131 006)	66 887
Plant and equipment	1 351 454	(784 166)	567 288	1 556 995	(912 078)	644 917	2 204 885	(1 569 908)	634 977
Leasehold improvement	-	-	-	535 075	(130 608)	404 467	865 084	(323 335)	541 749
Right of use asset	-	-	-	-	-	-	1 504 662	(337 083)	1 167 579
<b>Total</b>	<b>36 129 467</b>	<b>(5 121 971)</b>	<b>31 007 496</b>	<b>36 458 319</b>	<b>(5 054 812)</b>	<b>31 403 507</b>	<b>52 693 765</b>	<b>(13 140 710)</b>	<b>39 553 055</b>

### Reconciliation of property, plant and equipment - 2021

	Opening Balance	Additions	Additions through business combination	Disposals	Disposal of subsidiaries	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	849 499	125 715	12 193	(49 192)	-	-	(167 890)	770 325
IT equipment	1 444 446	1 087 113	-	(33 809)	-	-	(732 811)	1 764 939
Land and buildings	27 269 814	-	-	-	-	-	-	27 269 814
Motor vehicles	733 648	92 900	-	(64 880)	-	-	(198 070)	563 598
Office equipment	56 716	226 961	47 149	-	-	-	(259 294)	71 532
Plant and equipment	644 917	29 173	-	(94 628)	-	-	(12 174)	567 288
Leasehold improvement	404 467	-	-	(377 712)	-	-	(26 755)	-
Right of use asset	-	-	-	-	-	-	-	-
<b>Total</b>	<b>31 403 507</b>	<b>1 561 862</b>	<b>59 342</b>	<b>(620 221)</b>	<b>-</b>	<b>-</b>	<b>(1 396 994)</b>	<b>31 007 496</b>

**Reconciliation of property, plant and equipment - 2020**

	Opening Balance	Additions	Additions through business combination	Disposals	Disposal of subsidiaries	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	732 759	537 873	-	(215 603)	(92 577)	117 091	(230 044)	849 499
IT equipment	1 950 139	2 066 160	-	(55 259)	(1 170 076)	16 136	(1 362 654)	1 444 446
Land and buildings	33 670 740	-	-	(6 400 926)	-	-	-	27 269 814
Motor vehicles	788 225	534 000	-	(385 603)	-	-	(202 974)	733 648
Office equipment	66 887	230 233	-	(29 894)	(28 608)	38 427	(220 329)	56 716
Plant and equipment	634 977	20 112	-	-	-	-	(10 172)	644 917
Leasehold improvement	541 749	57 431	-	-	-	(145 100)	(49 613)	404 467
Right of use asset	1 167 579	-	-	-	(1 137 326)	12 806	(43 059)	-
<b>Total</b>	<b>39 553 055</b>	<b>3 445 809</b>	<b>-</b>	<b>(7 087 285)</b>	<b>(2 428 587)</b>	<b>39 360</b>	<b>(2 118 845)</b>	<b>31 403 507</b>

**Reconciliation of property, plant and equipment - 2019**

	Opening Balance	Additions	Additions through business combination	Disposals	Additions through Business combinations	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	164 935	214 006	24 831	(96 711)	-	623 121	(197 423)	732 759
IT equipment	2 621 886	1 233 129	-	(234 547)	-	(162 076)	(1 508 253)	1 950 139
Land and buildings	33 670 740	-	-	-	-	-	-	33 670 740
Motor vehicles	873 996	263 076	-	-	-	(1 916)	(346 931)	788 225
Office equipment	1 534 873	223 987	40 317	(13 188)	-	(1 276 587)	(442 515)	66 887
Plant and equipment	80 848	-	-	-	-	566 407	(12 278)	634 977
Leasehold improvement	653 060	-	-	-	-	(82 739)	(28 572)	541 749
Right of use asset	-	906 176	-	-	-	598 706	(337 303)	1 167 579
<b>Total</b>	<b>39 600 338</b>	<b>2 840 374</b>	<b>65 148</b>	<b>(344 446)</b>	<b>-</b>	<b>264 916</b>	<b>(2 873 275)</b>	<b>39 553 055</b>

Figures in ZAR	Group		
	31 December 2021	31 December 2020	31 December 2019
<b>Property, plant and equipment encumbered as security</b>			
The following assets have been encumbered as security for the secured long-term borrowings. Refer to note 13:			
Buildings Refer to details of properties below for individual buildings encumbered as security.	27 269 814	27 269 814	33 670 740
Motor vehicles The motor vehicles are secured over various instalment sales agreements.	-	733 655	822 381
<b>Fair value of building</b>	<b>30 209 997</b>	<b>30 209 997</b>	<b>36 355 848</b>
<b>Details of properties</b>			
<b>Portion 1 of Erf 1781 Fourways</b>			
This property is secured over a mortgage bond with Standard Bank of South Africa Ltd. Refer to note 13.			
- Opening balance	26 852 132	26 852 132	26 852 132
<b>Closing Balance</b>	<b>26 852 132</b>	<b>26 852 132</b>	<b>26 852 132</b>
<b>Portion 3 of Erf 1781 Fourways</b>			
This property is secured over a mortgage bond with Standard Bank of South Africa Ltd. Refer to note 13.			
- Opening balance	417 682	417 682	417 682
<b>Closing Balance</b>	<b>417 682</b>	<b>417 682</b>	<b>417 682</b>
<b>Portion 228 of Stand 529 Jukskei Park Township</b>			
- Opening balance	-	4 656 139	4 656 139
- Disposal	-	(4 656 139)	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>4 656 139</b>
<b>Stand 1311 Alberton North</b>			
- Opening balance	-	1 744 786	1 744 786
- Disposal	-	(1 744 786)	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>1 744 786</b>

The current residual value of the land and buildings exceeded the cost, hence no depreciation charge was recognised.

The Group had no outstanding contractual commitments to acquire additional items of property, plant and equipment at the end of the period under review.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the Company.

### 3. GOODWILL

Group	2021			2020			2019		
	Cost	Accumulated impairment	Carrying Value	Cost	Accumulated impairment	Carrying Value	Cost	Accumulated impairment	Carrying value
Goodwill	273 876 010	(95 675 946)	178 200 064	204 896 982	(26 696 918)	178 200 064	505 574 366	(326 238 231)	179 336 135
<b>Total</b>	<b>273 876 010</b>	<b>(95 675 946)</b>	<b>178 200 064</b>	<b>204 896 982</b>	<b>(26 696 918)</b>	<b>178 200 064</b>	<b>505 574 366</b>	<b>(326 238 231)</b>	<b>179 336 135</b>

#### Reconciliation of goodwill - 2021

	Opening Balance	Disposal	Additions through business combinations	Impairment	Total
Goodwill	178 200 064	-	-	-	178 200 064
<b>Total</b>	<b>178 200 064</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>178 200 064</b>

#### Reconciliation of goodwill - 2020

	Opening Balance	Disposal	Additions through business combinations	Impairment	Total
Goodwill	179 336 135	(1 332 026)	195 955	-	178 200 064
<b>Total</b>	<b>179 336 135</b>	<b>(1 332 026)</b>	<b>195 955</b>	<b>-</b>	<b>178 200 064</b>

#### Reconciliation of goodwill - 2019

	Opening Balance	Disposal	Additions through business combinations	Impairment	Total
Goodwill	421 964 928	-	4 999 081	(247 627 874)	179 336 135
<b>Total</b>	<b>421 964 928</b>	<b>-</b>	<b>4 999 081</b>	<b>(247 627 874)</b>	<b>179 336 135</b>

Reconciliation of goodwill per company	2021	2020	2019
BluESP (Pty) Ltd	46 596 497	46 596 497	46 596 497
AccTech Systems (Pty) Ltd	64 599 649	64 599 649	64 599 649
Dynamics Africa Services (Pty) Ltd	21 858 145	21 858 145	21 858 145
Combined Source Trading (Pty) Ltd	-	-	1 332 026
Foursight Namibia (Pty) Ltd	4 999 081	4 999 081	4 999 081
Simulation Engineering Technologies (Pty) Ltd	39 950 737	39 950 737	39 950 737
Trading activities of One Channel Cloud Services (Pty) Ltd	195 955	195 955	-
<b>Total</b>	<b>178 200 064</b>	<b>178 200 064</b>	<b>179 336 135</b>

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination.

### Annual impairment assessment

The recoverable amounts of the cash generating units (“CGUs”) related to goodwill are determined from value in use calculations, which are higher than the fair value less cost to sell.

The Group’s impairment test for goodwill is based on value in use calculations that use a discounted cash flow model.

Future cash flows are derived from the budgets over a period of five years.

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates, inflationary cost increases and perpetual growth rate.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates and inflationary cost increases are based on actual historical achievements and industry growth forecasts. The discount rates used are calculated using the Capital Asset Pricing Model, taking into account verifiable existing market conditions.

The following other key assumptions were included in the financial budgets to determine the future cash flows

- Maintaining the budgeted levels of overheads; and
- Growth of new business and enterprise development funding through the capital raising and acquisition synergies.



A summary of the key assumptions applied for impairment assessment purposes is presented below for each significant CGU:

### Key Assumptions applied

Cash generating units – December 2021	Medium term growth rate (%)	Long term growth rate (%)	Discount rate (%)
4Sight MMEC (Pty) Ltd	8%	4%	17.59%
Simulation Engineering Technologies (Pty) Ltd	7%	4%	17.59%
AccTech Systems (Pty) Ltd	6%	4%	16.09%
Dynamics Africa Services (Pty) Ltd	7%	4%	17.09%

Cash generating units – December 2020	Medium term growth rate (%)	Long term growth rate (%)	Discount rate (%)
4Sight MMEC (Pty) Ltd	6%	4%	16.01%
Simulation Engineering Technologies (Pty) Ltd	5%	4%	18.87%
AccTech Systems (Pty) Ltd	6%	4%	16.40%
Dynamics Africa Services (Pty) Ltd	6%	4%	17.39%

Cash generating units – December 2019	Medium term growth rate (%)	Long term growth rate (%)	Discount rate (%)
4Sight MMEC (Pty) Ltd	4%	3%	16.42%
Simulation Engineering Technologies (Pty) Ltd	4%	3%	17.75%
AccTech Systems (Pty) Ltd	4%	3%	17.48%
Dynamics Africa Services (Pty) Ltd	5%	3%	17.73%
Digitata Ltd	4%	2%	16.46%
Digitata South Africa (Pty) Ltd	4%	2%	16.46%

### Sensitivity analysis

The recoverable amount of each cash-generating unit (CGU) is determined based on a value in use calculation which uses cash flow projections based on financial forecasts approved by the directors, utilising various assumptions as detailed above.

The impairment calculations were tested for sensitivity to significant changes in the key assumptions used. Management believes that any reasonable change in the key assumptions, on which the recoverable amounts are

based, would not result in the carrying amount exceeding the recoverable amounts of the CGU.

A summary of the financial impact associated with sensitivity analysis for impairment assessment purposes is presented below for each significant CGU.

The percentage decrease below is an indicative change in the absolute value of the headroom between the value in use and the carrying value of the CGU, following the change in key assumptions.

Cash generating units – December 2021	Decrease of 1 % in the long-term Growth Rate (%)	Increase of 2.5% in the Discount Rate (%)
4Sight MMEC (Pty) Ltd	11.48%	28.14%
Simulation Engineering Technologies (Pty) Ltd	31.58%	76.21%
AccTech Systems (Pty) Ltd	14.15%	26.43%
Dynamics Africa Services (Pty) Ltd	8.24%	19.46%

<b>Cash generating units – December 2020</b>	<b>Decrease of 1 % in the long-term Growth Rate (%)</b>	<b>Increase of 2.5% in the Discount Rate (%)</b>
4Sight MMEC (Pty) Ltd	16.88%	58.03%
Simulation Engineering Technologies (Pty) Ltd	10.50%	40.77%
AccTech Systems (Pty) Ltd	10.91%	37.97%
Dynamics Africa Services (Pty) Ltd	6.47%	30.56%

<b>Cash generating units – December 2019</b>	<b>Decrease of 1 % in the long-term Growth Rate (%)</b>	<b>Increase of 2.5% in the Discount Rate (%)</b>
4Sight MMEC (Pty) Ltd	37.89%	71.72%
Simulation Engineering Technologies (Pty) Ltd	7.96%	31.01%
AccTech Systems (Pty) Ltd	14.18%	54.93%
Dynamics Africa Services (Pty) Ltd	8.59%	73.81%

## Impairment of goodwill – 2019

The impairment assessments resulted in the impairment of various CGUs, following significant declining performance of the underlying business to which the goodwill relates. A number of adverse operating events occurred during the period under review, which had an ongoing negative impact on the underlying cash-generating units.

During the 2019 financial year, the following impairment losses were recognised on goodwill.

<b>Entity</b>	<b>Amount in ZAR</b>
Digitata Ltd	176 058 960
Digitata South Africa (Pty) Ltd	27 936 631
Fleek Consulting (Pty) Ltd	23 266 496
CaseWise South Africa (Pty) Ltd	16 935 364
Foursight Holdings (Pty) Ltd	3 430 423
<b>Total</b>	<b>247 627 874</b>

### The main assumptions applied which resulted in the significant respective impairments were:

- Digitata, which represents the majority of the Telco structure has incurred a loss for the full year due to a decline in market demand. The Telco segment had to undergo a significant restructuring process during the period, which resulted in a decrease in service delivery capacity and ultimately negatively impacts the future earnings potential of the CGUs. In addition, the Telco cluster, which normally sees increased revenue during the second half of the year, had not secured any significant contracts in the reporting period;
- Fleek Consulting, a company which was purchased from a previous director of 4Sight Holdings Ltd, continued to lose market share due to key customers cancelling or not renewing significant contractual agreements. The company struggled to add new business and increase its market share. The above factors negatively impact the future earnings of the business and the decision was made to impair the entire amount of goodwill; and
- CaseWise lost a significant customer in the current financial year, with revenue decreasing more than 50%. Management restructured the business to control the costs however they were unable to successfully secure new clientele. An active drive will be required to take the current business offerings into the market. A decision was taken to impair the entire amount of goodwill.

## 4. INTANGIBLE ASSETS

Group	2021			2020			2019		
	Cost	Accumulated Amortisation and impairment	Carrying Value	Cost	Accumulated Amortisation and impairment	Carrying Value	Cost	Accumulated Amortisation and impairment	Carrying value
Computer software	14 127 364	(8 099 297)	6 028 068	9 820 703	(4 688 749)	5 131 954	146 331 976	(102 644 487)	43 687 489
Patents and trademarks	31 884 765	-	31 884 765	29 493 995	-	29 493 995	143 606 419	(110 769 269)	32 837 150
<b>Total</b>	<b>46 012 129</b>	<b>(8 099 297)</b>	<b>37 912 832</b>	<b>39 314 698</b>	<b>(4 688 749)</b>	<b>34 625 949</b>	<b>289 938 395</b>	<b>(213 413 756)</b>	<b>76 524 639</b>

### Reconciliation of intangible assets - 2021

	Opening Balance	Additions	Additions through business combinations	Disposals	Disposal of Subsidiary	Impairments	Foreign exchange movements	Amortisation	Total
Computer software	5 131 954	4 340 243	-	-	-	-	-	(3 444 130)	6 028 067
Patents and trademark	29 493 995	-	2 390 770	-	-	-	-	-	31 884 765
<b>Total</b>	<b>34 625 949</b>	<b>4 340 243</b>	<b>2 390 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 444 130)</b>	<b>37 912 832</b>

### Reconciliation of intangible assets - 2020

	Opening Balance	Additions	Additions through business combinations	Disposals	Disposal of Subsidiary	Impairments	Foreign exchange movements	Amortisation	Total
Computer software	43 687 489	8 556 758	-	(665 086)	(33 392 374)	(2 438 482)	5 234 430	(15 850 781)	5 131 954
Patents and trademark	32 837 150	-	5 604 729	-	(10 721 998)	-	1 774 114	-	29 493 995
<b>Total</b>	<b>76 524 639</b>	<b>8 556 758</b>	<b>5 604 729</b>	<b>(665 086)</b>	<b>(44 114 372)</b>	<b>(2 438 482)</b>	<b>7 008 544</b>	<b>(15 850 781)</b>	<b>34 625 949</b>

### Reconciliation of intangible assets - 2019

	Opening Balance	Additions	Additions through business combinations	Disposals	Disposal of Subsidiary	Impairments	Foreign exchange movements	Amortisation	Total
Computer software	35 858 088	22 365 919	-	(3 547 899)	-	(318 155)	8 524 228	(19 194 692)	43 687 489
Patents and trademark	149 831 596	-	-	-	-	(111 906 514)	(5 087 932)	-	32 837 150
<b>Total</b>	<b>185 689 684</b>	<b>22 365 919</b>	<b>-</b>	<b>(3 547 899)</b>	<b>-</b>	<b>(112 224 669)</b>	<b>3 436 296</b>	<b>(19 194 692)</b>	<b>76 524 639</b>

### Intangible Assets with indefinite lives

	2021	2020	2019
Patents and trademarks	31 884 765	29 493 995	32 837 150

Figures in ZAR	Group		Group
	31 December 2021	31 December 2020	31 December 2019

Indefinite life intangible assets consist of patents and trademarks acquired through business combinations.

The remainder of the balance of patents and trademarks with indefinite useful lives relates mostly to the AccTech Systems acquisition and the recoverable amounts of cash generating units ("CGUs") related to indefinite useful life intangible assets are consistent with those disclosed under note 3 as these assets relate to the same CGU. Accordingly, the assumptions disclosed under note 3 apply to these assets.

The indefinite life intangible assets are considered intangible assets with an indefinite useful life, based on all relevant factors considered such as technological obsolescence, typical product life cycles and stability of the industry. There is no foreseeable limit to the period over which the asset is expected to generate cash flow.

## 5. DEFERRED TAX

<b>Deferred tax asset</b>			
Tax losses available for set off against future taxable income	12 374 516	7 380 521	9 483 630
Leave Accrual	2 622 282	2 174 857	1 980 449
Allowance for credit losses	846 916	1 169 152	1 493 636
Contract liabilities	-	-	448 162
Other deferred tax asset	583 480	2 409 992	113 468
<b>Total deferred tax asset, net of valuation allowance recognised</b>	<b>16 427 194</b>	<b>13 134 522</b>	<b>13 519 345</b>
<b>Deferred tax liability</b>			
Intangible Assets	-	(1 417 772)	(2 362 954)
Contract assets	-	(564 389)	235 530
Prepayments	(11 492)	(69 205)	(1 197 748)
Property, plant and equipment	-	(16 336)	(16 336)
Other deferred tax liability	-	-	44 016
<b>Total deferred tax liability</b>	<b>(11 492)</b>	<b>(2 067 702)</b>	<b>(3 297 492)</b>
Deferred tax asset	16 427 194	13 134 522	13 519 345
Deferred tax liability	(11 492)	(2 067 702)	(3 297 492)
<b>Total net deferred tax asset</b>	<b>16 415 702</b>	<b>11 066 820</b>	<b>10 221 853</b>
<b>Reconciliation of deferred tax asset (liability)</b>			
Opening Balance	11 066 820	10 221 853	9 577 654
Tax loss available for set off against future taxable income	4 993 995	(2 103 109)	(598 235)
(Originating) deductible temporary difference allowance for credit losses	(322 236)	(324 484)	(965 627)
Originating deductible temporary difference on leave accrual	447 425	194 408	130 432
(Originating) deductible temporary difference on contract liabilities	-	(448 163)	(23 348)
Reversing deductible temporary difference on property, plant and equipment	16 336	-	519 028
Reversing deductible temporary difference on intangible assets	1 417 772	945 182	2 366 308
Reversing (Originating) deductible temporary difference on contract assets	564 389	(799 919)	679 925
Reversing (Originating) deductible temporary difference on prepayments	57 712	1 128 544	(412 296)
Reversing (Originating) temporary differences in other deferred tax assets	(1 826 511)	2 252 508	(1 051 988)
	<b>16 415 702</b>	<b>11 066 820</b>	<b>10 221 853</b>

Figures in ZAR	Group		
	31 December 2021	31 December 2020	31 December 2019

## Recognition of deferred tax asset

The Group recognises the net tax benefit relating to deferred income tax assets arising from future deductible temporary differences and past income tax losses. The deferred income tax asset is recognised to the extent it is probable that taxable income will be available from forecast profits to realise the future tax saving. (Refer to note 20 - Taxation, for additional information regarding the estimated tax losses).

The expectation of future profits is based on the Group's strong performance in the BE, IT, OT and CP clusters to which these historic losses have been contributed, coupled with cost cutting interventions and expected return to pre-pandemic performance.

## 6. OTHER FINANCIAL ASSETS

Glovent preference shares	-	-	1 535 000
Other financial assets	200 000	369 016	2 657 331
	<b>200 000</b>	<b>369 016</b>	<b>4 192 331</b>
Non-current asset	-	-	1 535 000
Current asset	200 000	369 016	2 657 331
	<b>200 000</b>	<b>369 016</b>	<b>4 192 331</b>

## 7. INVENTORIES

Finished goods	2 459 889	1 065 666	1 204 194
Work in progress	-	205 390	331 933
	<b>2 459 889</b>	<b>1 271 056</b>	<b>1 536 127</b>

No inventory was written off or pledged as security to third parties.



## 8. TRADE AND OTHER RECEIVABLES

Trade receivables	90 438 856	71 741 530	125 053 446
Prepayments and deferred expenses	1 758 211	39 954	1 795 180
Deposits	56 941	95 013	99 010
Value Added Tax	2 826 597	3 364 402	-
Other receivables	339 096	5 003 664	15 296 323
	<b>95 419 701</b>	<b>80 244 563</b>	<b>142 243 959</b>

Figures in ZAR	Group		
	31 December 2021	31 December 2020	31 December 2019

#### Trade receivables and credit loss allowance ageing - 2021

The ageing of amounts past due and its related allowance for credit losses are provided below:

Group	Current	30 days	60 days	90 days	120+ days	Total
Gross trade receivables	36 641 730	15 263 828	30 407 443	3 231 534	9 946 299	95 490 834
Allowance for credit loss	(197 087)	(118 909)	(182 774)	(236 167)	(4 317 041)	(5 051 978)
<b>Total</b>	<b>36 444 643</b>	<b>15 144 919</b>	<b>30 224 669</b>	<b>2 995 367</b>	<b>5 629 258</b>	<b>90 438 856</b>
<b>Weighted average loss rate</b>	<b>0.54%</b>	<b>0.78%</b>	<b>0.60%</b>	<b>7.31%</b>	<b>43.40%</b>	<b>5.29%</b>

#### Trade receivables and credit loss allowance ageing - 2020

The ageing of amounts past due and its related allowance for credit losses are provided below:

Group	Current	30 days	60 days	90 days	120+ days	Total
Gross trade receivables	46 078 143	7 314 228	8 053 053	4 085 909	7 288 194	72 819 527
Allowance for credit loss	(113 210)	(7 245)	(35 008)	(206 642)	(715 892)	(1 077 996)
<b>Total</b>	<b>45 964 933</b>	<b>7 306 983</b>	<b>8 018 045</b>	<b>3 879 267</b>	<b>6 572 302</b>	<b>71 741 530</b>
<b>Weighted average loss rate</b>	<b>0.25%</b>	<b>0.10%</b>	<b>0.43%</b>	<b>5.06%</b>	<b>9.82%</b>	<b>1.50%</b>

#### Trade receivables and credit loss allowance ageing - 2019

The ageing of amounts past due and its related allowance for credit losses are provided below:

Group	Current	30 days	60 days	90 days	120+ days	Total
Gross trade receivables	52 369 677	24 957 295	11 006 470	6 301 817	93 131 637	187 766 896
Allowance for credit loss	(5 403 207)	(1 437 301)	(483 381)	(673 701)	(54 715 860)	(62 713 450)
<b>Total</b>	<b>46 966 470</b>	<b>23 519 994</b>	<b>10 523 089</b>	<b>5 628 116</b>	<b>38 415 777</b>	<b>125 053 446</b>
<b>Weighted average loss rate</b>	<b>10.32%</b>	<b>5.76%</b>	<b>4.39%</b>	<b>10.69%</b>	<b>58.75%</b>	<b>33.40%</b>

No expected credit losses are recognised on other receivables as there is no historic default or increased credit risk related to these amounts.

#### Currencies

The carrying amount of trade receivables are denominated in the following currencies:

South African Rand	86 623 559	64 794 348	63 927 182
United States Dollar	1 860 351	4 903 634	59 226 325
Namibian Dollar	1 669 833	2 039 847	1 845 315
Other currencies	285 113	3 701	54 624
	<b>90 438 856</b>	<b>71 741 530</b>	<b>125 053 446</b>

Refer to Note 28 - Risk Management for further disclosure relating to credit risk of trade receivables.

#### Reconciliation of allowance for credit losses

Opening balance	1 077 996	62 713 449	6 404 544
Credit loss allowance recognised on receivables	4 408 597	33 203 149	59 439 449
Amounts written off as uncollectable	(434 615)	-	(3 130 543)
Movement as a result of restatement	-	(1 606 671)	-
Disposal of subsidiaries	-	(93 231 931)	-
<b>Closing balances</b>	<b>5 051 978</b>	<b>1 077 996</b>	<b>62 713 450</b>

Figures in ZAR	Group	Group	Group
	31 December 2021	31 December 2020	31 December 2019

## 9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:			
Cash on hand	13 201	16 413	15 620
Bank balances	58 458 539	66 252 128	51 718 488
	<b>58 471 740</b>	<b>66 268 541</b>	<b>51 734 108</b>

## 10. SHARE CAPITAL

As per Mauritius Companies Act 2001, the shares of the Company are under control of the board and the Company does not have authorised share capital. Ordinary shares have no par value.

<b>Reconciliation of number of shares issued:</b>			
Balance at the beginning of the period	659 856 529	789 804 945	497 489 514
Ordinary shares issued as part of contingent consideration settlement	-	167 101 142	293 815 431
Ordinary shares issued in terms of LTI scheme	-	3 500 000	-
Repurchase of shares issued of the Digitata Ltd Group	-	(290 549 558)	-
Repurchased shares issued of CaseWise South Africa (Pty) Ltd	-	(10 000 000)	-
<b>Total listed ordinary shares</b>	<b>659 856 529</b>	<b>659 856 529</b>	<b>791 304 945</b>
Treasury shares	(825 000)	(825 000)	(1 500 000)
	<b>659 031 529</b>	<b>659 031 529</b>	<b>789 804 945</b>
<b>Reconciliation of value of shares issued:</b>			
Balance at the beginning of the period	228 408 875	817 852 423	740 152 803
Ordinary shares issued as part of contingent consideration settlement	-	41 639 509	78 356 718
Treasury shares	-	(297 000)	(657 098)
Ordinary shares issue in terms of LTI scheme	-	(657 965)	-
Reduction in stated capital (Note 11)	-	(533 761 944)	-
Restructure of equity	45 579 086	-	-
Repurchase of shares	-	(96 366 148)	-
	<b>273 987 961</b>	<b>228 408 875</b>	<b>817 852 423</b>

During 2021, following from the shareholders approval to re-domicile 4Sight Holdings Limited from Mauritius to South Africa, the non-distributable reserve attributable to a reduction in stated capital was reclassified to share capital. As part of a further restructure, the Group reclassified a portion of Share capital directly to Retained Earnings, which equals previous impairments made in relation to the Digitata Group of companies that were disposed of in 2020.

Figures in ZAR	Group	Group	Group
	31 December 2021	31 December 2020	31 December 2019

## 11. RESERVES

### Common control reserve

The non-distributable reserve attributable to the acquisition of the remaining minority shares held in the subsidiary, Digitata South Africa (Pty) Ltd in the amount of R45 195 180, carried forward from 2019, has been reclassified directly to retained earnings following from the disposal of the Digitata Group in the 2020 financial period.

### Reduction in stated capital

The non-distributable reserve attributable to a reduction of the stated capital originated in 2020 from the special resolution approved by the shareholders to reclassify a portion of the stated capital to a non-distributable reserve in order to meet the capital and solvency requirements of the Mauritian Companies Act. During 2021, following from the shareholders approval to re-domicile 4Sight Holdings Limited from Mauritius to South Africa, the non-distributable reserve attributable to a reduction in stated capital was reclassified to share capital. Refer to note 10 Share Capital.

Opening Balance	533 761 944	(45 195 180)	(45 195 180)
Disposal of subsidiary operations	-	45 195 180	-
Restructure of equity	(533 761 944)	-	-
Re-classification of stated share capital	-	533 761 944	-
<b>Non-distributable reserve</b>	<b>-</b>	<b>533 761 944</b>	<b>(45 195 180)</b>

## 12. NON-CONTROLLING INTEREST

Group			
Balance at the beginning of the period	3 278 280	(1 943 043)	(6 221 947)
Total comprehensive income for the period	749 201	5 315 720	3 872 112
Dividend paid	(1 387 881)	-	(1 007 143)
Disposal of subsidiary	-	(191 552)	1 072 252
Changes in ownership without change control	191 423	97 155	-
Business combinations	-	-	243 306
Forex exchange difference	-	-	98 377
<b>Total non-controlling interest at the end of the period</b>	<b>2 831 023</b>	<b>3 278 280</b>	<b>(1 943 043)</b>
<b>Non-controlling interest</b>			
Digitata Insights Ltd	0.00%	0.00%	17.47%
Digitata Networks (Pty) Ltd	0.00%	0.00%	29.31%
Digitata Networks Corporation	0.00%	0.00%	29.00%
Fleek Consulting (Pty) Ltd	0.00%	13.00%	13.00%
Simulation Engineering Technologies (Pty) Ltd	30.00%	30.00%	30.00%
Foursight Namibia (Pty) Ltd	0.00%	0.00%	10.00%

Year Ended 31 December 2021	Opening Balance	Share of comprehensive profit for the period	At acquisition equity interest	Disposals	Dividends Paid	Change in ownership interest	Foreign exchange difference	Closing Balance
Fleek Consulting (Pty) Ltd	(191 424)	-	-	-	-	191 424	-	-
Simulation Engineering Technologies (Pty) Ltd	3 469 704	749 201	-	-	(1 387 882)	-	-	2 831 023
<b>Total</b>	<b>3 278 280</b>	<b>749 201</b>	<b>-</b>	<b>-</b>	<b>(1 387 882)</b>	<b>191 424</b>	<b>-</b>	<b>2 831 023</b>

Year Ended 31 December 2020	Opening Balance	Share of comprehensive profit for the period	At acquisition equity interest	Disposals	Dividends Paid	Change in ownership interest	Foreign exchange difference	Closing Balance
Digitata Insights Ltd	(4 902 580)	175 978	-	4 915 396	-	-	(188 794)	-
Digitata Networks (Pty) Ltd	213 043	3 055 122	-	(3 268 165)	-	-	-	-
Digitata Networks Corporation	704 329	751 350	-	(1 455 679)	-	-	-	-
Fleek Consulting (Pty) Ltd	(452 460)	261 036	-	-	-	-	-	(191 424)
Simulation Engineering Technologies (Pty) Ltd	2 408 582	1 061 122	-	-	-	-	-	3 469 704
Foursight Namibia (Pty) Ltd	86 043	11 112	-	-	-	(97 155)	-	-
<b>Total</b>	<b>(1 943 043)</b>	<b>5 315 720</b>	<b>-</b>	<b>191 552</b>	<b>-</b>	<b>(97 155)</b>	<b>(188 794)</b>	<b>3 278 280</b>

Year Ended 31 December 2019	Opening Balance	Share of comprehensive profit for the period	At acquisition equity interest	Disposals	Dividends Paid	Change in ownership interest	Foreign exchange difference	Closing Balance
Glovent Solutions (Pty) Ltd	(1 762 148)	1 778 980	-	(16 832)	-	-	-	-
GLO Int (Pty) Ltd	(931 936)	935 121	-	-	-	-	(3 185)	-
Digitata Insights Ltd	(5 239 796)	216 829	-	-	-	-	120 387	(4 902 580)
Digitata Networks (Pty) Ltd	(250 298)	463 341	-	-	-	-	-	213 043
Digitata Networks Corporation	305 085	418 069	-	-	-	-	(18 825)	704 329
Corporate Lifestyle Management (Pty) Ltd	(214 305)	79 564	-	134 741	-	-	-	-
Fleek Consulting (Pty) Ltd	(122 578)	(329 882)	-	-	-	-	-	(452 460)
Simulation Engineering Technologies (Pty) Ltd	2 762 334	653 391	-	-	(1 007 143)	-	-	2 408 582
Strategix Application Solutions (Pty) Ltd	(768 305)	(186 039)	-	954 344	-	-	-	-
Foursight Namibia (Pty) Ltd	-	(157 262)	243 305	-	-	-	-	86 043
<b>Total</b>	<b>(6 221 947)</b>	<b>3 872 112</b>	<b>243 305</b>	<b>1 072 253</b>	<b>(1 007 143)</b>	<b>-</b>	<b>98 377</b>	<b>(1 943 043)</b>

Figures in ZAR	Group	Group	Group
	31 December 2021	31 December 2020	31 December 2019
<b>13. OTHER FINANCIAL LIABILITIES</b>			
<b>Held at amortised cost</b>			
<b>Standard Bank of South Africa Ltd</b>	13 330 663	15 150 425	16 333 008
The loan is secured by a mortgage over buildings. The rate of interest is 7.25% per annum and the monthly instalment is ZAR 217 000. The last instalment will be paid in July 2028.			
<b>Instalment sale agreement</b>	-	245 600	689 264
IEMAS instalment sale liability was repaid in full in the current period.			
<b>Randburg Control Solutions (Pty) Ltd</b>	-	280 000	560 000
The loan is secured by computer software. The loan was repaid in full.			
<b>ABSA Bank Ltd</b>	-	-	2 228 581
The property was disposed of and the liability was settled during the 2019 financial year.			
<b>Blue Sparrow Trust</b>	-	-	2 201 013
The loan was unsecured, interest free and had no definite date of repayment. Loan forms part of the Digitata Ltd disposal.			
<b>M.A. Powell</b>	-	-	787 641
The loan was unsecured, interest free and was repaid in full during the 2020 financial period.			
<b>Digitata Investment Trust</b>	-	-	280 595
The loan was unsecured, interest free and had no definite date of repayment. Loan forms part of the Digitata Ltd disposal.			
<b>Lease liabilities (Right of use)</b>	-	-	668 836
<b>Other loans</b>	974 507	-	1 442 801
Other loans are unsecured, interest free and have no definite date of repayment.			
<b>Held at fair value through profit or loss</b>			
<b>Deferred vendor liability</b>	-	4 722 310	57 601 860
The amount due to vendors represents the balance of the purchase consideration owing in respect of various acquisitions. The liability is settled through the issue of cash or variable amount of shares on achievement of profit warranties. Deferred vendor payments are recognised when there is a reasonable expectation that the predetermined profit warranties will be achieved.			
	<b>14 305 170</b>	<b>20 398 335</b>	<b>82 793 599</b>
<b>Non-current liabilities</b>			
At amortised cost	11 637 186	13 658 397	21 059 657
<b>Current liabilities</b>			
At amortised cost	2 667 984	6 739 938	61 733 942
	<b>14 305 170</b>	<b>20 398 335</b>	<b>82 793 599</b>
South African Rand	14 305 170	20 398 335	80 311 990
United States Dollar	-	-	2 481 609

Figures in ZAR	Group	Group	Group
	31 December 2021	31 December 2020	31 December 2019

## 14. TRADE AND OTHER PAYABLES

Trade payables	68 648 358	64 274 255	46 027 389
Value Added Tax	2 442 216	3 147 437	1 532 072
Accrued leave pay	9 365 292	8 281 921	10 597 179
Accrued expenses	6 391 903	4 047 856	17 949 334
Payroll accruals	10 967 153	7 327 425	8 541 438
	<b>97 814 922</b>	<b>87 078 894</b>	<b>84 647 412</b>

The gross carrying amount of trade payables is denominated in the following currencies:

United States Dollar	39 422 557	37 057 673	1 773 744
South African Rand	27 639 877	26 464 865	43 909 230
EURO	-	515 964	6 445
Namibian Dollar	1 554 360	168 941	278 380
Other currencies	31 564	66 812	59 590
	<b>68 648 358</b>	<b>64 274 255</b>	<b>46 027 389</b>

## 15. REVENUE

The Group assess disaggregated revenue based on the nature, timing and uncertainty of revenue and cash flows due to economic factors. The Group considered the main economic factors which affected the nature, timing and uncertainty of revenue and cash flows to include geographical markets and the timing of the recognition of major products line. The disaggregation of revenue has been disclosed below.

### Disaggregation of revenue - Group 2021

Primary external geographical markets	BE Cluster	IT Cluster	OT Cluster	CP Cluster	Consolidation	Total
South Africa	91 635 818	130 548 852	103 584 958	105 457 211	2 712 831	433 939 670
Rest of Africa	10 263 341	21 946 738	28 384 553	47 113 352	303 841	108 011 825
Europe Middle East and Australasia	2 574 945	3 384 388	14 117 385	8 976 587	76 230	29 129 535
Americas	745 190	977 530	2 976 671	1 009 730	22 060	5 731 181
<b>Total external revenue</b>	<b>105 219 294</b>	<b>156 857 508</b>	<b>149 063 567</b>	<b>162 556 880</b>	<b>3 114 962</b>	<b>576 812 211</b>
Primary sector	BE Cluster	IT Cluster	OT Cluster	CP Cluster	Consolidation	Total
Private	87 751 401	131 464 216	148 966 152	159 265 641	2 597 833	530 045 243
Public	17 467 893	25 393 292	97 415	3 291 239	517 129	46 766 968
<b>Total external revenue</b>	<b>105 219 294</b>	<b>156 857 508</b>	<b>149 063 567</b>	<b>162 556 880</b>	<b>3 114 962</b>	<b>576 812 211</b>
Major products/service items	BE Cluster	IT Cluster	OT Cluster	CP Cluster	Consolidation	Total
<b>Licenses</b>						
At a point in time	10 152 225	22 499 527	6 697 280	33 437 948	300 552	73 087 532
Over time	-	-	-	-	-	-
<b>Software as a service</b>						
At a point in time	19 142 441	25 327 271	816 457	3 800 366	566 702	49 653 237
Over time	-	-	-	-	-	-
<b>Consulting</b>						
At a point in time	48 517 386	71 033 427	74 441 692	9 827 408	1 436 331	205 256 244
Over time	-	-	-	-	-	-
<b>Support and Maintenance</b>						
At a point in time	24 807 311	33 633 137	19 379 289	112 567 747	734 407	191 121 891
Over time	-	-	-	-	-	-
<b>Physical goods</b>						
At a point in time	-	737 998	46 865 964	-	-	47 603 962
Over time	-	-	-	-	-	-
<b>Other revenue</b>						
At a point in time	2 599 931	3 626 148	862 885	2 923 411	76 970	10 089 345
Over time	-	-	-	-	-	-
<b>Total external revenue</b>	<b>105 219 294</b>	<b>156 857 508</b>	<b>149 063 567</b>	<b>162 556 880</b>	<b>3 114 962</b>	<b>576 812 211</b>

**Disaggregation of revenue - Group 2020**

<b>Primary external geographical markets</b>	<b>BE Cluster</b>	<b>IT Cluster</b>	<b>OT Cluster</b>	<b>CP Cluster</b>	<b>Consolidation</b>	<b>Total</b>
South Africa	78 832 536	118 259 804	85 500 601	86 497 221	7 899 324	376 989 486
Rest of Africa	8 516 289	16 402 843	46 214 374	24 511 843	853 365	96 498 714
Europe Middle East and Australasia	3 129 891	4 501 722	10 168 848	5 726 640	313 627	23 840 728
Americas	-	-	13 491 559	251 716	-	13 743 275
<b>Total external revenue</b>	<b>90 478 716</b>	<b>139 164 369</b>	<b>155 375 382</b>	<b>116 987 420</b>	<b>9 066 316</b>	<b>511 072 203</b>
<b>Primary sector</b>	<b>BE Cluster</b>	<b>IT Cluster</b>	<b>OT Cluster</b>	<b>CP Cluster</b>	<b>Consolidation</b>	<b>Total</b>
Private	76 500 575	117 919 827	155 211 792	115 230 752	7 665 653	472 528 599
Public	13 978 141	21 244 542	163 590	1 756 668	1 400 663	38 543 604
<b>Total external revenue</b>	<b>90 478 716</b>	<b>139 164 369</b>	<b>155 375 382</b>	<b>116 987 420</b>	<b>9 066 316</b>	<b>511 072 203</b>
<b>Major products/service items</b>	<b>BE Cluster</b>	<b>IT Cluster</b>	<b>OT Cluster</b>	<b>CP Cluster</b>	<b>Consolidation</b>	<b>Total</b>
<b>Licenses</b>						
At a point in time	6 970 514	13 970 812	9 182 174	11 200 383	698 472	42 022 355
Over time	-	-	-	-	-	-
<b>Software as a service</b>						
At a point in time	12 152 334	17 478 701	-	1 527 214	1 217 711	32 375 960
Over time	-	-	-	-	-	-
<b>Consulting</b>						
At a point in time	47 079 560	71 062 535	76 108 120	5 916 606	4 717 553	204 884 374
Over time	-	-	-	-	-	-
<b>Support and Maintenance</b>						
At a point in time	21 681 796	32 386 406	26 899 049	96 969 337	2 172 600	180 109 188
Over time	-	-	-	-	-	-
<b>Physical goods</b>						
At a point in time	-	517 110	42 318 178	-	-	42 835 288
Over time	-	-	-	-	-	-
<b>Other revenue</b>						
At a point in time	2 594 512	3 748 805	867 861	1 373 880	259 980	8 845 038
Over time	-	-	-	-	-	-
<b>Total external revenue</b>	<b>90 478 716</b>	<b>139 164 369</b>	<b>155 375 382</b>	<b>116 987 420</b>	<b>9 066 316</b>	<b>511 072 203</b>

Figures in ZAR	Group	
	31 December 2021	31 December 2020
<b>16. COST OF SALES</b>		
Sale of goods	44 540 198	33 963 723
Licensing and associated services	161 233 438	167 332 607
Software as a service	63 141 484	29 939 662
Sub-contracting	28 220 516	11 198 158
Travel and other cost of sales	3 427 430	1 995 780
	<b>300 563 066</b>	<b>244 429 930</b>

## 17. OTHER NET INCOME

Other income	725 789	785 554
Profit (loss) on disposal of property, plant and equipment	278 265	(1 189 608)
Loss on disposal of subsidiaries	-	(3 987 458)
Fair value gain on deferred vendor liability	5 000 000	3 000 000
Employee tax incentive	-	68 964 500
Profit on liquidation of subsidiary	110 999	-
Foreign exchange (loss) gain	(905 207)	13 240 262
	<b>5 209 846</b>	<b>80 813 250</b>

## 18. OPERATING PROFIT

Operating profit for the period is stated after charging (crediting) the following, amongst others:

<b>Auditor's remuneration - external</b>		
Audit fees	995 750	1 119 150
<b>Employee costs</b>		
Salaries	235 535 741	210 015 232
Non-executive director remuneration	2 100 356	2 013 613
<b>Total employee costs</b>	<b>237 636 097</b>	<b>212 028 845</b>

## 19. FINANCE COSTS

Other financial liabilities	938 041	1 499 878
Deferred Vendor Liabilities (non-cash)	277 690	829 286
<b>Total finance costs</b>	<b>1 215 731</b>	<b>2 329 164</b>

Figures in ZAR	Group	
	31 December 2021	31 December 2020
<b>20. TAXATION</b>		
<b>Major components of the tax expense (income)</b>		
<b>Current</b>		
Local income tax - current period	4 780 589	2 325 911
<b>Deferred</b>		
Originating and reversing temporary differences	(4 768 444)	880 441
<b>Total tax expense</b>	<b>12 145</b>	<b>3 206 352</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between applicable tax rate and average effective tax rate.		
Applicable tax rate	28.0%	28.0%
Employee tax incentive	0.0%	-38.2%
Fair value gain on reversal of vendor liability	-11.8%	-4.8%
Profit on disposal of subsidiary	0.0%	20.0%
Unrecorded tax losses	0.4%	0.0%
Lower foreign tax rates	-0.3%	0.3%
Restatement of prior period	0.0%	9.2%
Non-deductible expenses	0.7%	2.7%
Non-taxable income	-11.2%	-4.5%
Income tax correction of prior period to align to statutory assessments	-6.0%	0.0%
Other	0.0%	5.6%
	<b>-0.1%</b>	<b>18.4%</b>

The South African Income tax rate was utilised as the base rate for the income tax rate reconciliation, and not a blended rate due to the fact that the Group had significant operations in South Africa.



Figures in ZAR	Group	
	31 December 2021	31 December 2020

## 21. EARNINGS PER SHARE

Earnings per share is based on the weighted average number of ordinary shares in issue. Dilutive shares comprise Nil (2020: 81 267 769) potential ordinary shares relating to the deferred vendor considerations payable on all business combinations and treasury shares.

<b>Basic and dilutive earnings</b>		
Total profit for the period (excluding other comprehensive income)	11 921 406	15 888 086
Profit attributable to non-controlling interest	(749 201)	(5 315 720)
<b>Net profit attributable to ordinary shareholders</b>	<b>11 172 205</b>	<b>10 572 366</b>
Adjustments for:		
Loss on disposal of equipment – net of tax	404 164	1 121 061
Profit on disposal of subsidiaries – net of tax	-	(2 565 734)
Impairments of Intangible assets	-	2 438 482
Impairment of goodwill	-	-
<b>Headline earnings for the period</b>	<b>11 576 369</b>	<b>11 566 175</b>
<b>Per share information:</b>		
Basic earnings per share (cents)	1.695	1.329
Dilutive earnings per share (cents)	1.695	1.206
Headline earnings per share (cents)	1.757	1.454
Dilutive headline earnings per share (cents)	1.757	1.320
<b>Weighted Average Number of Shares in Issue</b>		
Weighted average number of shares in issue for the period	659 031 529	795 289 345
Dilutive Shares	-	81 267 769
<b>Weighted average dilutive number of shares in issue for the period</b>	<b>659 031 529</b>	<b>876 557 114</b>

### Headline earnings per share

Headline earnings per share (HEPS) is calculated using the weighted average number of ordinary shares in issue during the period and is based on the earnings attributable to ordinary shareholders, after excluding those items as required by Circular 01/2021 issued by the South African Institute of Chartered Accountants (SAICA).

Headline earnings - 2021	Gross	Tax effect	Nett
Basic dilutive earnings attributable to ordinary shareholders	15 516 951	(4 344 746)	11 172 205
Loss on disposal of property, plant and equipment	561 339	(157 175)	404 164
	<b>16 078 290</b>	<b>(4 501 921)</b>	<b>11 576 369</b>
Headline earnings - 2020	Gross	Tax effect	Nett
Basic dilutive earnings attributable to ordinary shareholders	14 683 842	(4 111 476)	10 572 366
Loss on disposal of property, plant and equipment	1 557 029	(435 968)	1 121 061
Profit on disposal of subsidiaries	(3 563 519)	997 785	(2 565 734)
Intangible assets impairment	3 386 781	(948 299)	2 438 482
	<b>16 064 132</b>	<b>(4 497 957)</b>	<b>11 566 175</b>

Figures in ZAR	Group	
	31 December 2021	31 December 2020
<b>Continuing operations</b>		
<b>The headline earnings reconciliation and per share information is set out below:</b>		
Total profit for the period (excluding other comprehensive income)	11 921 406	20 651 982
Profit attributable to non-controlling interest	(749 201)	(1 333 269)
<b>Net profit attributable to ordinary shareholders</b>	<b>11 172 205</b>	<b>19 318 713</b>
Adjustments for:		
Loss on disposal of equipment – net of tax	404 164	1 098 791
Loss on disposal of subsidiaries – net of tax	-	2 870 970
<b>Headline earnings for the period</b>	<b>11 576 369</b>	<b>23 288 474</b>
<b>Per share information:</b>		
Basic earnings per share (cents)	1.695	2.429
Dilutive earnings per share (cents)	1.695	2.204
Headline earnings per share (cents)	1.757	2.928
Dilutive headline earnings per share (cents)	1.757	2.657
<b>Weighted Average Number of Shares in Issue</b>		
Weighted average number of shares in issue for the period	659 031 529	795 289 345
Dilutive Shares	-	81 267 769
<b>Weighted average dilutive number of shares in issue for the period</b>	<b>659 031 529</b>	<b>876 557 114</b>
<b>Discontinued operations</b>		
<b>The headline earnings reconciliation and per share information is set out below:</b>		
Total loss for the period (excluding other comprehensive income)	-	(4 763 896)
Profit attributable to non-controlling interest	-	(3 982 451)
<b>Net loss attributable to ordinary shareholders</b>	<b>-</b>	<b>(8 746 347)</b>
Adjustments for:		
Loss on disposal of equipment – net of tax	-	22 270
Profit on disposal of subsidiaries – net of tax	-	(5 436 704)
Impairments of Intangible assets	-	2 438 482
<b>Headline loss for the period</b>	<b>-</b>	<b>(11 722 299)</b>
<b>Per share information:</b>		
Basic loss per share (cents)	-	(1.100)
Dilutive loss per share (cents)	-	(0.998)
Headline earnings loss per share	-	(1.474)
Dilutive headline earnings loss	-	(1.337)
<b>Weighted Average Number of Shares in Issue</b>		
Weighted average number of shares in issue for the period	659 031 529	795 289 345
Dilutive Shares	-	81 267 769
<b>Weighted average dilutive number of shares in issue for the period</b>	<b>659 031 529</b>	<b>876 557 114</b>

Figures in ZAR	Group	
	31 December 2021	31 December 2020
<b>The headline earnings reconciliation and per share information is set out below for normalised earnings:</b>		
In order to more adequately reflect the operational performance of the Group, the Group has included normalised earnings for the year, as detailed below. Consequently, headline earnings have been adjusted to take into account non-operational and accounting anomalies. Normalised earnings are the measurement basis used by the chief operating decision maker to manage the Group. The presentation of normalised headline earnings is not an IFRS requirement.		
<b>Net profit (loss) attributable to ordinary shareholders</b>	<b>11 576 366</b>	<b>23 288 473</b>
Adjustments for:		
Foreign Exchange gain on settlement of deferred vendor liability	-	(11 081 478)
Legal fees incurred related to corporate migration – net of tax	221 405	1 629 465
Legal fees incurred on non-operating activities – net of tax	(110 999)	-
Contingent shareholders consideration paid - net of tax	-	8 220 091
Net impact of ETI program	-	(11 029 870)
Corporate transaction costs related to Digitata Disposal – net of tax	-	561 669
<b>Normalised earnings for the period</b>	<b>11 686 772</b>	<b>11 588 350</b>
<b>Per share information:</b>		
Normalised earnings per share (cents)	1 773	1 457
Dilutive normalised earnings per share (cents)	1 773	1 322
<b>Average number of shares</b>		
Weighted average number of shares in issue for the period	659 031 529	795 289 345
Dilutive Shares	-	81 267 769
<b>Weighted average dilutive number of shares in issue for the period</b>	<b>659 031 529</b>	<b>876 557 114</b>

## 22. CASH GENERATED FROM OPERATIONS

<b>Profit before taxation</b>	<b>11 909 261</b>	<b>5 663 054</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	4 840 903	17 907 959
Loss on disposals of property, plant and equipment	561 340	5 269 048
Interest income	(1 345 940)	(2 302 455)
Finance costs	1 215 731	4 413 785
(Income) loss from associates	(395 199)	33 834
Issue of shares for LTI	-	683 566
Impairments	-	2 438 482
Non-cash profit on disposal of subsidiary	-	(18 902 598)
Derecognition of deferred vendor liability	(5 000 000)	(3 000 000)
Other non-cash movements	(522 680)	-
<b>Changes in working capital:</b>		
Inventories	(1 188 833)	265 071
Trade and other receivables	(14 691 751)	(18 189 309)
Trade and other payables	8 895 492	54 536 756
Contract assets and liabilities	-	(609 723)
	<b>4 278 324</b>	<b>48 207 470</b>

Figures in ZAR	Group	
	31 December 2021	31 December 2020
Balance at the beginning of the period	5 274 609	3 057 724
Current tax for the period recognised in profit and loss	(12 145)	1 552 095
Foreign exchange movement	-	6 170 956
Non-cash adjustments to tax expense	1 404 462	2 140 149
Balance at the end of the period	(3 411 190)	(5 274 609)
<b>Tax paid</b>	<b>3 255 736</b>	<b>7 646 315</b>

## 24. RELATED PARTIES

The Group entered into transactions and had balances with related parties as listed below. These include directors and members of key management. The transactions that are eliminated on consolidation are not included. Transactions with related parties are affected on a commercial basis and related party debts are repayable on a commercial basis.

### Relationships

Subsidiaries	Refer to note 34
Shareholder with significant influence	M Zitzke, J Botha, MG Swanepoel
Director of subsidiary	J Botha, TE Zitzke, MG Swanepoel
Directors' emoluments	Refer to note 25

### Related party balances

#### Other financial assets (refer to note 6 for details)

4Sight Africa (Pty) Ltd	200 000	369 016
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### Lease Payments

- Double Peak Properties 41 (Pty) Ltd (a company related to TE Zitzke and MG Swanepoel) ZAR3,663,436 (2021: ZAR 3,456,060).
- SETEC Software (Pty) Ltd and Martiq 399 CC (a company related to J Botha) ZAR 621,360 (2020: ZAR723,596).

There were no other related party transactions which are material that were included in the results for the period ended 31 December 2021.

Transactions between the Company and its subsidiaries that are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.



## 25. DIRECTORS' EMOLUMENTS

<b>Executive</b>				
<b>2021</b>			<b>Short-term employee benefits</b>	<b>Total</b>
TE Zitzke			3 834 737	3 834 737
E van der Merwe			2 581 070	2 581 070
<b>Total Executive fees</b>			<b>6 415 807</b>	<b>6 415 807</b>
<b>2020</b>				
TE Zitzke			3 853 448	3 853 448
E van der Merwe			2 616 771	2 616 771
<b>Total Executive fees</b>			<b>6 470 219</b>	<b>6 470 219</b>
<b>Non-executive</b>				
<b>2021</b>	<b>Board</b>	<b>Committee</b>	<b>Other Fees</b>	<b>Total</b>
Kamil Patel	335 070	-	14 848	349 918
Dr Sidharth Sharma	167 276	-	15 427	182 703
Christopher Crowe	165 660	82 830	14 244	262 734
Andrew Murgatroyd	200 000	90 000	15 000	305 000
Herman Singh	200 000	105 000	15 000	320 000
Marichen Mortimer	200 000	130 000	15 000	345 000
Johan Nel	200 000	120 000	15 000	335 000
	<b>1 468 006</b>	<b>527 830</b>	<b>104 519</b>	<b>2 100 355</b>
<b>2020</b>	<b>Board</b>	<b>Committee</b>	<b>Other Fees</b>	<b>Total</b>
Kamil Patel	334 814	-	-	334 814
Dr Sidharth Sharma	202 865	-	-	202 865
Christopher Crowe	180 553	90 277	-	270 830
Andrew Murgatroyd	214 360	67 500	-	281 860
Herman Singh	214 360	75 000	-	289 360
Marichen Mortimer	214 360	115 000	-	329 360
Johan Nel	214 360	90 000	-	304 360
<b>Total Non-executive board fees</b>	<b>1 575 672</b>	<b>437 777</b>	<b>-</b>	<b>2 013 449</b>

## 26. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

<b>Group - 2021</b>	<b>Financial assets at amortised costs</b>	<b>Total</b>
Other financial assets	200 000	200 000
Trade and other receivables	90 834 893	90 834 893
Cash and cash equivalents	58 471 740	58 471 740
	<b>149 506 633</b>	<b>149 506 633</b>
<b>Group - 2020</b>	<b>Financial assets at amortised costs</b>	<b>Total</b>
Other financial assets	369 016	369 016
Trade and other receivables	76 840 207	76 840 207
Cash and cash equivalents	66 268 541	66 268 541
	<b>143 477 764</b>	<b>143 477 764</b>

## 27. FINANCIAL LIABILITIES BY CATEGORY

The financial liabilities by category approximates its fair value. The accounting policies for financial instruments have been applied to the line items below:

Group - 2021	Fair Value – Level 3	Financial liabilities at amortised cost	Financial liabilities at fair value through profit and loss	Total
Other financial liabilities	-	17 381 700	-	17 381 700
Trade and other payables	-	86 007 413	-	86 007 413
	-	<b>103 389 113</b>	-	<b>103 389 113</b>

Group - 2020	Fair Value – Level 3	Financial liabilities at amortised cost	Financial liabilities at fair value through profit and loss	Total
Other financial liabilities	4 722 310	15 676 034	4 722 310	20 398 344
Trade and other payables	-	75 649 536	-	75 649 536
	<b>4 722 310</b>	<b>91 325 570</b>	<b>4 722 310</b>	<b>96 047 880</b>

The financial liabilities at fair value through profit and loss is considered a Level 3 fair value instruments due to the unobservable nature of the inputs utilised in the fair value determination

## 28. RISK MANAGEMENT

### Capital risk management

The financial liabilities at fair value through profit and loss is considered a Level 3 fair value instruments due to the unobservable nature of the inputs utilised in the fair value determination.

The Group's objectives when managing working capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The entity manages working capital, which includes receivables, cash and creditors on a continuous basis through constant monitoring and review. There are no externally imposed capital requirements.

### Financial risk management

The Group has developed and documented financial risk management policies in line with those set out by the acquired subsidiaries. The overall Group risk management policies are continuously reviewed and developed. These policies set out the Group's overall business strategies and its risk management philosophy.

The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. The board of directors provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), credit risk, liquidity risk, cash flow interest rate risk and investing excess cash.

Such written policies are reviewed annually by the board of directors and periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. Non-current financial assets and liabilities are issued at country-specific market related rates and therefore all non-current financial assets and liabilities except those carried at fair value through profit and loss approximate its fair values, unless otherwise disclosed in this note.

The Group does use derivative financial instruments to manage its exposure to foreign currency risk but not to manage interest rate risk. Market risk exposures are measured using sensitivity analysis indicated below.

## Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its current and future obligations, both expected and unexpected, without materially affecting its daily operations or overall financial position. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### Group

At 31 December 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	2 604 000	2 604 000	12 173 700
Trade and other payables	97 814 921	-	-
At 31 December 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	7 987 446	2 707 438	14 097 365
Trade and other payables	87 078 894	-	-

## Interest rate risk

Interest rate risk consists of fair value interest rate risk (the risk that the fair values of a financial instrument fluctuate because of changes in the market interest rate) and cash flow interest rate risk (the risk that the cash flows fluctuate because of changes in the market interest rate). The Group is exposed to both cash flow and fair value interest rate risk. The Group manages its fair value interest rate risk through pricing in the anticipated future interest rate movements.

Management's observation for the 2021 financial period is that South African based interest rates decreased by 50 basis points. A decrease of 25 basis points in interest rates at the reporting date, with reference to the period end exposures, would have increased/(decreased) equity and profit or loss by the annualised amounts shown below. The analysis assumes that all other variables remain constant. At 31 December 2021, if interest rates on South African Rand-denominated borrowings had been 0.25% higher with all other variables held constant, post-tax profit for the period would have been ZAR 112 853 more (2020: ZAR 119 267).

### Cash flow interest rate risk

Financial instrument	Group 2021 Current interest rate	Group 2021 Due in less than a year	Group 2020 Current interest rate	Group 2020 Due in less than a year
Bank balances	0% - 3.25%	58 458 539	0% - 3.25%	66 252 128
Other financial liabilities	0% - 7.5%	2 667 984	0% - 10.25%	2 987 444

[South African Rand denominated]

## Credit risk

Credit risk is the risk that the Group's clients or counterparties will not be able or willing to pay interest, repay capital or otherwise fulfil their contractual obligations under loan agreements or other credit facilities. It also arises on bank balances. The credit risk management policy is determined and approved on a group basis for each operating segment.

Credit risk consists mainly of cash deposits, cash equivalents, other receivables and trade debtors. The Group limits its exposure to credit risk relating to cash deposits and cash equivalents by depositing cash only with major banks with high quality credit standing.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. The maximum exposure to credit risk is represented by the carrying value of each financial asset recognised.

The Group has implemented the procedures below for avoiding excessive concentration of credit risk included in the trade and other receivables:

- Maintaining a wider vendor customer base;
- Continually looking for opportunities to expand the client base and product offering base;
- Reviewing the debtor book regularly with the intention of minimising the Group's exposure to bad debts;

## Expected credit loss risk

The Group has the following financial assets subject to the ECL model:

- Trade receivables;
- Other financial assets; and
- Cash and cash equivalents

The Group has considered quantitative forward-looking information such as inflation rate, country risk premium, political risk premium and macro-economic factors,

which have been built into our assessments of risk where relevant. Qualitative assessments have also been performed, of which the impact was found to be immaterial.

## Expected credit loss assessment for trade receivables and contract assets

The allowance for impairment of trade receivables and contract assets is created to the extent and as and when required, based upon the expected collectability of accounts receivables. Loss rates are calculated using a 'roll rate'/'flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates/flow rates are calculated separately for exposures in different industry segments based on the common credit risk characteristics.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

A default event is considered to have occurred when aged 270 to 365 days. Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the entity, and a failure to make contractual payments for a period of greater than 270 to 365 days past due.

## Provisioning matrix utilising historic loss rate

This method is applied to those operations that have historical loss rates. ECLs are calculated by applying a loss ratio to the aged balance of trade receivables and contract assets at each reporting date. The loss ratio is calculated according to the ageing/payment profile of sales by applying historical/ proxy write offs to the payment profile of the sales population. These financial assets have been grouped so that the ECL calculation is performed on groups of receivables with similar risk characteristics and ability to pay.

Similarly, the sales population selected to determine the ageing/payment profile of the sales is representative of the entire population and in line with future payment expectations. The historic loss ratio is then adjusted for forward-looking information to determine the ECL for the portfolio of financial assets at the reporting date to the extent that there is a strong correlation between the forward-looking information and the ECL.

The operations have identified unemployment rate and gross domestic production of the countries in which they operate, to be the most relevant and accordingly adjusts the historical loss rates based on expected changes to these factors.

The forecast contraction in the unemployment rate and gross domestic production has been determined to be between 1% and 3%, resulting in an increasing loss rate where relevant.

No collateral or credit enhancements have been taken into account in the assessment of credit loss allowances for trade debtors.

## Identifying specific risk of default

The Group utilises the aging of the trade and other receivables and contract assets as a method for identifying specific risk of default.

Low Risk - There has not been an increase in the credit risk of the counterparty since initial recognition of the trade receivable. All receivables are in low risk unless there are specific circumstances that indicate the contrary, such as long outstanding (overdue credit terms), financial problems at the counterparty, disputes, etc.

Medium risk - The credit risk of the counterparty has increased significantly since initial recognition of the trade receivable and therefore, the ECL needs to be adjusted.

High risk - The trade receivable is at a point where it is fully non-recoverable. The full outstanding balance of the receivable is then provided for.

Financial instruments are considered to have low credit risk in accordance with paragraph 5.5.10 of IFRS 9.

Financial instrument	Group 2021	Group 2020
Trade and other receivables	93 661 490	80 204 609
Other financial assets	200 000	369 016
Cash and cash equivalents	58 458 539	66 252 128

## Foreign exchange risk

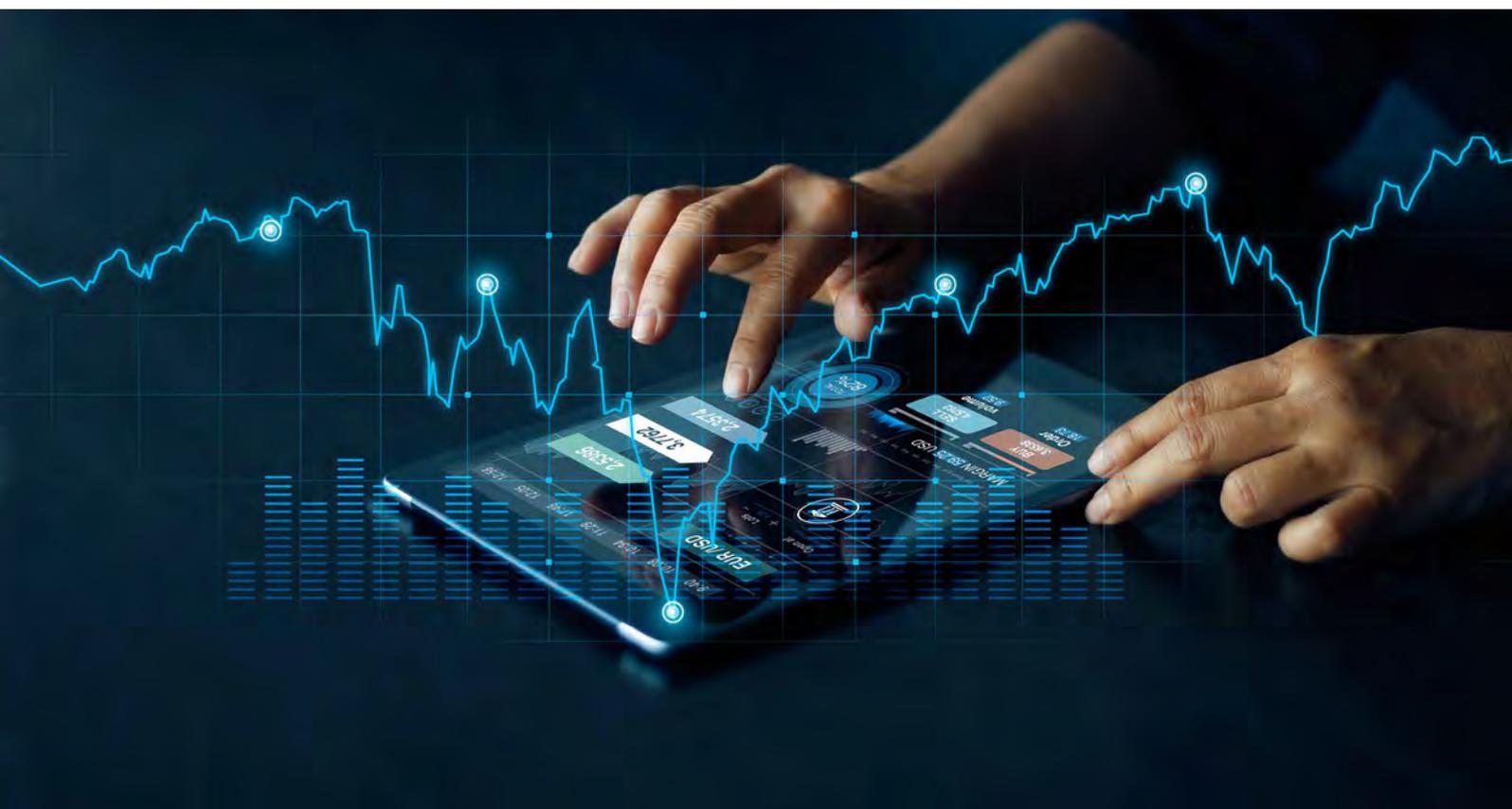
Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to, and actively manages, currency risk through its operations in South Africa and Namibia.

Management's expectation for the 2021 financial period is that short term fluctuations in exchange rates will be experienced and that the expectation for exchange rates over the 12 months to 31 December 2021, is that the Rand will continue its slow strengthening.

At 31 December 2021, if the currency had strengthened/weakened by 10% against the South African Rand with all other variables held constant, post-tax comprehensive income for the year would have been ZAR 2 516 535 (ZAR 1 684 595) higher/lower, mainly as a result of foreign exchange gains or losses on translation of South African Rand denominated operations.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective Group entities' functional currency has been disclosed in the individual notes.

Exchange rates used for conversion of foreign items were:	2021	2020
South African Rand/US Dollar	15.92	14.65



## 29. SEGMENT REPORTING

The Executive directors assess the performance of the operating clusters based on the measure of operating profit. The Group has 4 strategic Clusters for reporting purposes – the Business Environment (BE), Information Technologies (IT), Operational Technologies (OT) and Channel Partner (CP) Clusters.

**The Business Environment (BE) Cluster** Digital transformation of an entire enterprise requires the convergence of the OT and IT environments, so that business applications can be developed on enterprise data that enable better and more informed business decisions. The Business Environment (BE) Cluster partners with our customers to drive value – creating digital transformation starting with assessments of their ICT landscapes.

We become our customers' digital transformation partner and assist them in building a self-funding digital transformation roadmap. We focus on maximising the power of the cloud, optimising and modernising their environments and applications, automating and making

their business process intelligent, creating true customer intelligence, helping with bespoke development on the Azure platform, enabling integration and creating a structured, secure, source system independent and scalable enterprise data strategy.

**The Information Technologies (IT) Cluster** is focused on enabling digital transformation of ERP, accounting, human resources and payroll disciplines. This enables enterprises to execute with agility to ensure survival in the new digital economy and ensures empowering people, transforming products and keep customers close. Customers with back-end, mostly on-premise and siloed systems for ERP, CRM and HR and Payroll are embracing the modern digital data economy and moving to integrated, hybrid deployments of their IT environment.

For the past two years, the 4Sight IT Cluster has successfully introduced customers to digital transformation via easy "lift and shift to cloud" products. These solutions enable customers to utilise connected services in the cloud environment and enable "work-from-anywhere" capabilities via cloud-based, back office IT solutions that provide location independence and anywhere operations.

**The Operational Technologies (OT) Cluster** provides key 4IR technologies and services needed to help industrial customers with their full end-to-end digital transformation journey, while following a cost effective and low risk self-funding methodology. This allows customers to remain competitive in the digital economy while making sure any digital initiative has a 6-month or better return on investment (ROI).

We enable our customers to digitally transform their operations using best in class technologies. Transformation activities include asset automation, optimisation and simulation. Our solutions include IIoT, automation, systems integration, MES systems fully integrated with ERP for real-time insights, advanced process control, prescriptive maintenance, production scheduling, digital twin simulations, SHEQ and environmental solutions. Our deep domain engineering experts Implement and support our various operations.

**The Channel Partner (CP) Cluster** is 4Sight's 100% partner-focused ecosystem. The Cluster supports and empowers an ever-expanding channel of Value Added

Resellers across Africa, the Middle East and Central Europe to distribute 4Sight's OT, IT and BE integrated solutions to markets across the world.

Contained within the CP Cluster is 4Sight's Cloud Distributor, through the Microsoft Indirect Cloud Solution Provider (CSP) program, ISV channel and Channel Partners. This allows for the distribution of 4Sight's integrated solutions and OEM partner offerings across our footprint. The offerings include Sage and Microsoft's range of cloud applications to our dedicated partners located in the Middle East, Central Europe and Africa regions. Within our CP Cluster, we have several highly skilled resources that are dedicated to managing and growing our various business partners.

The executive directors do not monitor assets and liabilities by segment. Following a change in the Groups internal organisations, stemming from the disposal of the Digitata Group, in a manner that caused the composition of the reportable segments to change during the current year, the Group restated the segmental information for comparative periods in order to ensure comparability is achieved year to year.



Segmental service line 2021	BE Cluster	IT Cluster	OT Cluster	CP Cluster	Consolidation	Total
<b>Revenue</b>						
- External	105 219 294	156 857 508	149 063 567	162 556 880	3 114 962	576 812 211
- Internal	5 183 364	590 486	5 326	383 053	(6 162 229)	-
<b>Operating Profit (loss)</b>	<b>3 662 265</b>	<b>8 344 142</b>	<b>25 471 849</b>	<b>9 371 626</b>	<b>(35 466 029)</b>	<b>11 383 853</b>
Depreciation and amortisation	(3 375 648)	(15 496)	(562 117)	(49 196)	(838 446)	(4 840 903)
Derecognition of deferred vendor liability	-	-	-	-	5 000 000	5 000 000
Interest-Non-cash item	-	-	-	-	(277 690)	(277 690)
Taxation	(1 025 434)	(2 337 532)	(8 182 814)	(2 627 565)	14 185 490	12 145
<b>Profit (Loss)</b>	<b>2 636 831</b>	<b>6 010 798</b>	<b>21 041 523</b>	<b>6 756 595</b>	<b>(24 524 341)</b>	<b>11 921 406</b>
<b>Segmental service line 2020</b>	<b>BE Cluster</b>	<b>IT Cluster</b>	<b>OT Cluster</b>	<b>CP Cluster</b>	<b>Consolidation</b>	<b>Total</b>
<b>Revenue</b>						
- External	90 478 716	139 164 369	155 375 382	116 987 420	9 066 316	511 072 203
- Internal	418 808	46 338	459 472	27 964 820	(28 889 438)	-
<b>Operating Profit (loss)</b>	<b>(3 794 563)</b>	<b>17 756 699</b>	<b>20 432 803</b>	<b>10 889 505</b>	<b>(27 310 166)</b>	<b>17 974 278</b>
Depreciation and amortisation	(3 598 743)	(29 343)	(877 491)	(38 345)	(456 894)	(5 000 816)
Derecognition of deferred vendor liability	-	-	-	-	3 000 000	3 000 000
Interest-Non-cash item	-	-	-	-	(1 171 441)	(1 171 441)
Taxation	1 060 695	(4 973 767)	(5 893 682)	(3 049 387)	16 062 493	3 206 352
<b>Profit (Loss)</b>	<b>(2 727 501)</b>	<b>12 789 687</b>	<b>15 155 182</b>	<b>7 841 282</b>	<b>(12 406 668)</b>	<b>20 651 982</b>

## Geographical clusters

The Group operates primarily in South Africa since the disposal of Digitata and will no longer reflect the geographical separately.

## 30. BUSINESS COMBINATIONS

### Acquisitions

During the year ended 31 December 2021, the Group concluded the following acquisition in its targeted 4IR strategy:

#### One Channel Cloud Services Namibia (Pty) Ltd (“One Channel”)

On 1 July 2021, the Group acquired the business of One Channel Namibia for consideration of ZAR 100, intangible assets to the value of ZAR 2 391 930 was accounted for, the intangible asset has an indefinite useful life. One Channel is a reseller of Acumatica in Namibia, a technology provider that develops cloud- and browser-based enterprise resource planning software for small and medium-sized businesses.

The business was acquired in line with the Group strategy to diversify its cloud ERP software solutions. The purchase consideration payable is contingent on achieving certain profit warranties.

The acquisition was not to acquire a single asset or concentration of assets and the acquisition of One Channel was assessed against the criteria of IFRS 3 and concluded to be a business combination stemming from the fact that the entire business of One Channel was acquired, which included:

- Reseller rights (Inputs)
- Employee resources (Processes)

One Channel contributed revenue of ZAR2 735 376 and loss after tax of ZAR181 198, since its acquisition.

The business combination is disclosed below:

Figures in ZAR	One Channel Namibia
Intangible assets	2 391 930
Total net identifiable (liabilities)	(2 392 030)
<b>Paid in cash on acquisition</b>	<b>100</b>

The contribution to the trading results of businesses acquired has been accounted for from the effective date of the acquisitions. In determining the purchase consideration paid, the profit history of the relevant business and its growth prospects within the Group, are considered.

## 31. RESTATEMENT

### Restatement of 2020 financial statements

During the 2021 financial period the Group identified information related to transactions entered into during the 2020 financial period, that was not available as at the time of authorising the 2020 financial statements for issue. The information indicated that certain transactions

resulting in revenue recognition during 2020 did not meet the revenue recognition requirements as per the Group's accounting policies. In order to correct this error, the financial results for the 2020 financial period were restated retrospectively in accordance with the requirements of the financial reporting framework.

Figures in ZAR	Before Restatement	Application of IFRS 15	After Restatement
<b>Statement of comprehensive income for the year ended 31 December 2020</b>			
Revenue	521 911 420	(10 839 217)	511 072 203
Other expenses	(334 582 353)	5 101 107	(329 481 246)
Taxation	1 599 681	1 606 671	3 206 352
<b>Profit attributable to (Continuing)</b>	<b>24 783 421</b>	<b>(4 131 439)</b>	<b>20 651 982</b>
Owners of the parent	23 450 152	(4 131 439)	19 318 713
Non-controlling interest	1 333 268	-	1 333 268
<b>Earnings for the year ended 31 December 2020 for continuing operations</b>			
Basic earnings per share (cents)	2.95	(0.52)	2.43
Diluted earnings per share (cents)	2.68	(0.48)	2.20
Headline earnings per share (cents)	3.45	(0.52)	2.93
Diluted headline earnings per share (cents)	3.13	(0.47)	2.66
<b>Statement of financial position as of 31 December 2020</b>			
Trade and other receivables	85 982 673	(5 738 110)	80 244 563
Deferred tax asset	11 527 851	1 606 671	13 134 522

## Change in functional currency of the ultimate Holding Company and reporting currency of the Group

Following the adoption of the special resolution on 7 January 2021 to re-domicile the operations of the holding company (4Sight Holdings Limited) from Mauritius to South Africa, coupled with the evercontinuing transition of the primary economic environment in which the holding company operates from US\$ to ZAR, the holding company's functional currency has effectively changed from US\$ to ZAR, with effect from 1 January 2021.

As a change in the functional currency is applied prospectively in accordance with the requirements of IAS 8 and IAS 21, the conversion of US\$ denominated results of the holding company was affected on 1 January 2021, with the same rate of exchange being applied retrospectively in relation to the change in reporting currency.

Following from the fact that ZAR is the predominant currency in the Group, coupled with the fact that the Group's shareholder base is now largely comprised of South African investors to whom financial reporting in US\$ is of limited relevance and the board also bases its performance evaluation and many investment decisions on ZAR financial information, the Group changed its presentation currency from US\$ to ZAR from 1 January 2021, with retrospective application of comparative figures according to IAS 8 and IAS 21.

The board therefore believes that the ZAR financial reporting provides more relevant presentation of the Group's financial position, funding and treasury functions, financial performance and its cash flows.



A change in presentation currency represents a change in an accounting policy in terms of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors requiring the restatement of comparative information. In accordance with IAS 21 the Effects of Changes in Foreign Exchange Rates, the following methodology was followed in restating historical financial information from USD into ZAR:

- Non-ZAR assets and liabilities were translated at the relevant closing exchange rate at the end of the reporting period;
- Non-ZAR items of income and expenditure and cash flows were translated at actual transaction date exchange rates;
- Share capital and premium and other reserves of the

holding company, as appropriate, were translated at the exchange rate prevailing on 1 January 2021, the date on which the change in functional currency had become effective; and

- The effects of translating the Group's financial results and financial position into ZAR were recognised in the foreign currency translation reserve.

Although actual transaction date exchange rates were used to translate previously reported US\$ earnings and cash flows into ZAR, the Group has provided the average exchange rates of its major trading currencies relative to ZAR as an approximation for these rates for reference in the table below.

	December 2021		December 2020		December 2019	
	Closing Rate	Average Rate	Closing Rate	Average Rate	Closing Rate	Average Rate
US Dollar	15.9195	14.7839	14.6485	16.4686	14.0489	14.4452

## 32. GOING CONCERN

The consolidated financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The boards of directors of 4Sight Holdings Ltd and its subsidiaries have assessed the ongoing impact of COVID-19 on the financial position and performance of the Group for the foreseeable future, and in light thereof have concluded that the Group should be in a position to continue as a going concern for the foreseeable future.

The Group's current assets as of 31 December 2021 exceed the current liabilities and there are no liquidity issues or shortfalls. The Group is able to meet its liabilities in the ordinary course of business. The board is not aware of any events or conditions that may indicate that the Group's continuance as a going concern may be questionable.

## 33. EVENTS AFTER THE REPORTING

### Re-Domiciling of 4Sight

The redomicile of 4Sight from Mauritius to South Africa is still underway. The Group received its no objection certificate from the Mauritius Revenue Authority. Once the certificate of continuation is received in South Africa, the Company shall then be able to finalise the discontinuation of the Company in Mauritius.

Accordingly, the Company will proceed with the transfer of its registration from Mauritius to South Africa, including lodging the requisite statutory form(s) with the South African Companies and Intellectual Property Commission.

## 34. INTERESTS IN SUBSIDIARIES

The following table lists the entities which are controlled directly by the Company, and the carrying amounts of the investments in the Company's consolidated financial statements.

Name of company	Held By	Country	% holding	Carrying amount 2021	Carrying amount 2020
<b>Directly held investments</b>					
AGE Technologies JHB (Pty) Ltd	4Sight Holdings Ltd	South Africa	100%	-	-
4Sight MMEC (Pty) Ltd *	4Sight Holdings Ltd	South Africa	82%	49 932 546	49 932 546
BluESP (Pty) Ltd	4Sight Holdings Ltd	South Africa	17%	10 665 204	10 665 204
Foursight Holdings (Pty) Ltd	4Sight Holdings Ltd	South Africa	100%	213 012 422	213 012 422
4Sight International Ltd	4Sight Holdings Ltd	Mauritius	100%	-	-
Effective interest through indirect ownership is 100% through 4Sight MMEC (Pty) Ltd indirectly held investments					
<b>Indirectly held investments</b>					
BluESP (Pty) Ltd	4Sight MMEC (Pty) Ltd	South Africa	1%	542 769	542 769
4Sight House (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	-	-
Simulation Engineering Technologies (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	70%	42 483 594	42 483 594
AccTech Systems (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	99 352 060	99 352 060
Dynamics Africa Services (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	24 838 015	24 838 015
Foursight Namibia (Pty) Ltd	Foursight Holdings (Pty) Ltd	Namibia	100%	7 189 196	7 189 196

### Subsidiaries pledged as security

At December 2021 and up to the date of the report none of the subsidiaries have been pledged as security.

### Restrictions relating to subsidiaries

There are no significant restrictions to the Group in respect of the ability to access assets and liabilities of the subsidiaries.

### Impairment of investments

During the period no impairments on investments were performed.



## SECTION 30 | ANALYSIS OF ORDINARY SHAREHOLDERS



AS OF 31 DECEMBER 2021

### SHAREHOLDERS OF MORE THAN 5% TOTAL ISSUED SHARE CAPITAL

Shareholder	Number of shares	% of issued capital
Morne Gerhardus Swanepoel	127 521 898	19.35%
Silver Knight Trustees (Pty) Ltd	128 506 830	19.50%
Jacobus Botha	98 203 151	14.90%
Marie-Louise Zitzke	91 599 346	13.90%
TE Zitzke	43 474 569	6.60%

### PUBLIC AND NON-PUBLIC SHAREHOLDERS

Shareholder type	Number of shareholders	Numbers of shares	% of issued capital
Public	21 932	115 779 665	17.57%
Non Public			
- Directors	4	53 946 070	8.19%
Shareholders holding more than 10%		489 305 794	74.25%
- Morne Gerhardus Swanepoel	1	127 521 898	19.35%
- Silver Knight Trustees (Pty) Ltd	1	128 506 830	19.50%
- Jacobus Botha	1	98 203 151	14.90%
- Marie-Louise Zitzke	1	91 599 346	13.90%
<b>Total shareholders</b>	<b>21 936</b>	<b>659 031 529</b>	<b>100.00%</b>

### CATEGORIES OF SHAREHOLDERS

Shareholder type	Number of shareholders	Numbers of shares	% of issued capital
Individuals	21880	464 235 132	70.44%
Trusts	19	50 418 947	7.65%
Companies	35	143 892 450	21.83%
Close Corporations	2	485 000	0.07%
<b>Total ordinary shareholders</b>	<b>21 936</b>	<b>659 031 529</b>	<b>100.00%</b>

### REGISTERED SHAREHOLDER SPREAD

Shareholder type	Number of shareholders	Numbers of shares	% of issued capital
1 - 1 000	19 594	2 095 308	0.32%
1 000 - 10 000	1 706	5 425 213	0.82%
10 000 - 100 000	488	16 693 002	2.53%
100 000 - 1 000 000	115	30 970 941	4.70%
> 1 000 000	33	603 847 065	91.63%
<b>Total</b>	<b>21 936</b>	<b>659 031 529</b>	<b>100.00%</b>

(Prepared based on the share register dated 31 December 2021)

# CHAPTER 9 | NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS



**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting (AGM) of 4Sight shareholders for the year ended 31 December 2021 will be held entirely by electronic communication on Friday, 24 June 2022 at 12:00 Mauritian Time (10:00 South African time).

In light of the COVID-19 pandemic and preventative measures required to be adhered to relating to the pandemic as issued by the South African government from time to time, 4Sight has determined that the AGM will be conducted entirely through electronic communication.

Kindly note that, in terms of the Mauritian Companies Act, 2001 (Mauritian Companies Act), AGM participants (including proxies) will be required to provide identification before being entitled to participate in or vote at the AGM as more fully detailed in this notice. Forms of identification that will be accepted include certified copies of a valid identity document, a valid driver's licence or a valid passport as satisfactory identification.

The holders of 4Sight shares (shareholders) and any persons who are not shareholders but who are entitled to exercise any voting rights in relation to the resolutions to be proposed at the meeting as at the record date of Friday, 17 June 2022 (collectively "holders" or "you"), are entitled to participate in and vote at the AGM in person or by proxy(ies).

The board of directors of the Company (board) has determined that the record date for purposes of determining which shareholders are entitled to receive this notice is Friday, 22 April 2022. The record date for persons to be recorded as shareholders in the securities register of the company in order to be able to attend, participate and vote at the annual general meeting, is Friday, 17 June 2022. Accordingly, the last date to trade in order to be eligible to vote at the AGM is Monday, 13 June 2022.

This document is available in English only. Your attention is drawn to the notes at the end of this notice, which contain important information with regard to participation in the AGM.

The purpose of the AGM is for you to consider and, if in agreement, to pass with or without modification, the following ordinary and special resolutions, in the manner

required by the Company's Constitution and the Mauritian Companies Act, as read with the Listings Requirements of the stock exchange operated by JSE Limited (JSE) (JSE Listings Requirements):

## SPECIAL RESOLUTIONS

Special resolutions shall be adopted with the support of at least 75% of the voting rights exercised on the resolution of those persons present at the meeting.

### SPECIAL RESOLUTION 1

#### APPROVAL OF NON-EXECUTIVE DIRECTORS' EMOLUMENTS

**"RESOLVE THAT** for the period commencing 1 July 2022 until this resolution is specifically replaced, the directors' fees payable to non-executive directors of the Company for their services as directors is as follows:

##### Retainer fee

Non-executive Directors receive a quarterly Retainer Fee as director of 4Sight Holdings Ltd as follows:

Board Member	Annual Retainer Fee Rand	Quarterly Fee Rand
Chairperson of the Board	140 667	35 167
Non-executive Director	70 333	17 583



## Meeting fee

Non-executive directors receive a Meeting Fee as director of 4Sight Holdings Ltd for attending board and board Committee meetings as elected:

<b>Board Meeting Attendance:</b>	<b>Per meeting Rand attended</b>	<b>Meetings per year</b>
Chairperson of the Board	70 333	4
Non-executive Director	35 167	4
<b>Board Committee Meeting Attendance: *1</b>		
Chairperson of the Audit and Risk Committee	35 606	4
Audit and Risk Committee	20 573	4
Chairperson of the Social and Ethics Committee	24 617	2
Social and Ethics Committee	15 825	2
Chairperson Remuneration and Nominations Committee	26 375	2
Remuneration and Nominations Committee	15 825	2

\*1 directors who are not standing members of a board Committee who elects to attend board Committee do not receive additional attendance fee

## Fee for additional meetings and additional work

The board or board Committees may need to meet more than the number of meetings as listed in section 2 or specific additional work.

Non-executive directors to receive a Fee for Additional Meetings and Additional Work at a rate of R 2 000 per hour for such additional meetings and specific additional work. Payments for specific additional work requested by the Company will only be due if such specific additional work is pre-approved by a disinterested quorum of directors as provided for in the Company's Constitution.

## Payment of non-executive directors' emoluments

Retainer Fee	Payable quarterly in advance
Meeting Fee	Payable only if a meeting is attended
Fee for Additional Meetings and Additional Work	Payable following invoice for specific additional work upon request by Chief Executive Officer and approval by the Chairperson

All directors' fees paid are subject to relevant taxes as payable in accordance with applicable legislative requirements for South African residents and non-South African residents respectively.

## Reason and effect of special resolution 1

The Company's Constitution stipulates that the remuneration of directors shall be determined by the board. Non-executive directors' remuneration is determined annually.

Directors' Fees means the annual fees paid by the Company, including retainer fees and meetings fees, as compensation for serving on the board of directors.

The Company's Constitution further stipulates that, if any director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of permanent employment or executive office, and if by arrangement with the board, then such Director may be paid such reasonable additional remuneration as a disinterested quorum of directors may determine.

JSE listed companies are required to disclose each director's remuneration for the current and preceding financial year, whether receivable as a director or in any other capacity.

The South African Companies Act, No 71 of 2008, in section 66(9) stipulates that a company may only pay its directors for services rendered provided that such remuneration is approved by the shareholders through a special resolution, passed within the previous two years. While the Company is not subject to South African Companies Act, No 71 of 2008, the proposed remuneration payable to non-executive directors is presented for the purposes of transparency and the board's decision to align with the principles of King IV and South African Companies Act, No 71 of 2008.

The non-executive directors' fees is based on best practice and aimed at ensuring fair and competitive remuneration. It is important for the Company to attract and retain directors with the relevant experience and skills to effectively lead the Company.

## SPECIAL RESOLUTION 2

### General authority to repurchase company shares

**“RESOLVED THAT** a general authority for the Company to repurchase its shares, upon such terms and conditions and in such amounts as the directors may from time to time decide at their discretion, but subject to the Company’s Constitution, the provisions of the Mauritian Companies Act and the JSE Listings Requirements, is hereby approved, provided that:

- i) Any repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- ii) Authorisation for the repurchase is given by the Company’s Constitution;
- iii) At any point in time, the Company may only appoint one agent to effect any repurchase(s) on the Company’s behalf;
- iv) This general authority will be valid until the Company’s next AGM, or for 15 months from the passing of the resolution, whichever period is shorter;
- v) An announcement will be published on the Stock Exchange News Service (SENS) as soon as the Company has acquired any of its securities of a relevant class constituting, on a cumulative basis, 3% (three percent) of the initial number of securities of that relevant class in issue at the time that the general authority was granted, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases, such announcement to be published as soon as possible and not later than 08:30 (South African standard time) on the business day in South Africa and Mauritius following the day on which the relevant threshold is reached or exceeded, and the announcement shall comply with the requirements of the JSE Listings Requirements in this regard;
- vi) Repurchases by the Company of its securities may not, in aggregate in any one financial year, exceed 32 992 826 ordinary shares representing 5% (five percent) of the Company’s issued share capital of that class as at the beginning of the financial year ended 30 December 2022 (excluding treasury shares);
- vii) In determining the price at which the Company’s securities are acquired by the Company in terms of this general authority, the maximum premium at which such securities may be acquired will be 10% (ten percent) of the weighted average of the market value at which such securities are traded on the JSE as determined over the 5 (five) business days immediately preceding the date of repurchase of such securities by the Company. The JSE will be consulted for a ruling if such securities have not been traded during the course of such five business day period;
- viii) The Company may not repurchase any of its securities in terms of this authority during a “prohibited period” (as such term is defined in the JSE Listings Requirements), unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company’s securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- ix) Any such repurchase may be subject to exchange control regulations and approval at that time; and
- x) A resolution has been passed by the board authorising the repurchase and confirming that the Company passed the solvency and liquidity test in terms of the Mauritian Companies Act and that, from the time the test was done there have been no material changes to the financial position of the Company.”

## Reason for and effect of special resolution 2

The reason for the passing of this resolution is to grant the Company a general authority in terms of the JSE Listings Requirements for the acquisition by the Company of its securities, which authority shall be valid until the next AGM, provided that the general authority shall not extend beyond 15 months from the date of this special resolution 2.

The effect of special resolution 2 is to enable the Company, by way of a general authority, to acquire its securities from the holders of such securities.

Information in respect of major shareholders, share capital and material changes is contained in the Notes to the Annual Financial Statements, which information is required by the JSE Listings Requirements with regard to the resolution granting a general authority to the Company to repurchase its securities.

### Statement by the directors

The directors will not commence a general repurchase of shares, as allowed for in this resolution, unless the following can be met:

- The Company will be able in the ordinary course of business, to pay its debts for a period of 12 months following the date of the general repurchases.
- The Company's assets will be in excess of the liabilities of the Company for a period of 12 months following the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited Annual Financial Statements which comply with the Mauritian Companies Act.
- The Company will have adequate share capital and reserves for ordinary business purposes for a period of 12 months following the date of the general repurchase.
- The working capital of the Company will be adequate for ordinary business purposes for a period of 12 months following the date of the general repurchase.
- The board will pass a resolution authorising the repurchase, confirming that the Company has passed the solvency and liquidity test in terms of the Mauritian Companies Act and further confirming that, since the test was performed, there have been no material changes to the financial position of the Company and its subsidiaries.

- The intention of the general authority sought is to provide the directors with the ability to, when they deem it appropriate, to repurchase the Company's shares for the purpose of, but not limited to, holding such shares in treasury.
- In the event that the repurchase was made during a prohibited period through a repurchase programme pursuant to paragraph 5.69(h) and/or 14.9(e) of Schedule 14 of the JSE Listings Requirements, a statement will be issued confirming that the repurchase was put in place pursuant to a repurchase programme prior to a prohibited period in accordance with the JSE Listings Requirements

The directors, whose names appear on page 81 of the Integrated Report, collectively and individually accept full responsibility for the accuracy of the information relating to this special resolution and certify that, to the best of their knowledge and belief, there are no other facts that have been omitted which would make any statement false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this special resolution contains all information required by law and the JSE Listings Requirements.

## SPECIAL RESOLUTION 3

### GENERAL AUTHORITY FOR THE PROVISION OF LOANS AND/OR DIRECT OR INDIRECT FINANCIAL ASSISTANCE TO RELATED AND INTERRELATED COMPANIES OF THE COMPANY

“RESOLVED THAT, pursuant to section 45(3)(a)(ii) of the South African Companies Act, as a general authority, the board is hereby empowered to approve the possible provision by the Company of loans and/or direct or indirect financial assistance (‘financial assistance’ for this purpose has the meaning assigned to it in terms of section 45(1) of the South African Companies Act) to related and interrelated companies (‘related’ and ‘interrelated’ for the purposes of this have the meaning attributed to them in terms of section 2 of the South African Companies Act), as the board may deem appropriate, which financial assistance may be provided for amounts and subject to terms and conditions that the board may determine, provided that the aforementioned approval will be in force up to the date of the next Annual General Meeting of the Company.”

## Reason for and effect of special resolution 3

The reason for and effect of special resolution number 3 is to grant the board the authority to provide loans or direct and indirect financial assistance to any company that is related and interrelated to the Company in accordance with section 45 of the South African Companies Act.

## Ordinary resolutions

Ordinary resolutions, save to the extent expressly provided in respect of a particular matter contemplated in the JSE Listings Requirements or Constitution, shall be adopted with the support of more than 50% of the voting rights exercised on the resolution by those persons present at the meeting.

### **ORDINARY RESOLUTION 1: THE AUDITED ANNUAL FINANCIAL STATEMENTS, THE DIRECTORS' REPORT AND THE AUDIT, RISK AND COMPLIANCE COMMITTEE'S REPORT OF THE COMPANY FOR THE 2021 ANNUAL FINANCIAL PERIOD**

"RESOLVED THAT the audited Annual Financial Statements of the Group and Company, including the directors' Report, the Report of the Audit and Risk Committee and the Independent Auditor's Report, for the financial year ended 31 December 2021, be considered and approved and the Integrated Report be considered."

### **ORDINARY RESOLUTIONS 2.1-2.3: THE ELECTED DIRECTORS ROTATE IN ACCORDANCE WITH THE FOLLOWING PROVISIONS**

The Company's Constitution records that at least 1/3 (one-third) of the non-executive directors of the Company shall retire at every annual meeting of the Company (or general meeting held on an annual basis). The retiring directors may be re-elected at the AGM, provided they are eligible. The board of directors, through the Remuneration and Nominations Committee, recommend eligibility, taking into account past performance and contribution made

If their number is not 3 (three) or a multiple of 3 (three), the number nearest to 1/3 (one-third), but not less than 1/3 (one third), shall retire from office. The general norm is that the directors to retire in every year shall be those who have been longest in office since their last election,

but as between persons who were elected as directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

Kamil Patel and Dr Sidharth Sharma are both resident in Mauritius. The Company Constitution requires that at least two directors must be resident in Mauritius. Kamil Patel and Dr Sidharth Sharma have submitted their resignations subject to the Company being successfully removed from the Company Register in Mauritius for purposes of being incorporated under the laws of South Africa. Herman Singh has submitted his resignation effective 30 September 2022 as per the SENS announcement dated 22 February 2022.

All South African Resident non-executives were appointed on the same day. The board, having considered the resignations of Kamil Patel, Sidharth Sharma and Herman Singh (as noted above) and recommendation of the Remuneration and Nominations Committee have agreed that Johan Nel; Marichen Mortimer and Christopher Crowe shall retire at the AGM and that all three retiring directors may be re-elected at the AGM as, they remain eligible.

Shareholders are therefore asked to authorise the following:

"RESOLVED THAT the following directors be and are hereby elected as directors of the Company."

- 2.1. Johan Nel (Non-executive director)
- 2.2. Marichen Mortimer (Non-executive director)
- 2.3. Christopher Crowe (Non-executive director)

### **ORDINARY RESOLUTION 3: RE-APPOINTMENT OF EXTERNAL AUDITORS**

A new external audit firm must be appointed by no later than 2025 in line with the Independent Regulatory board for Auditors' rule on mandatory audit firm rotation. The Audit and Risk Committee has commenced the process to ensure that a new firm is appointed by such time. In the meantime, the Audit and Risk Committee has concluded that the appointment of Nexia SAB&T will comply with the requirements of the Mauritian Companies Act and the necessary regulations, and accordingly nominates Nexia SAB&T for reappointment as external auditor of the Company.

Shareholders are required to vote on the appointment of Nexia SAB&T to act as the Company's independent external auditor until the end of the next annual general meeting and therefore, the shareholders are required to:

**“RESOLVE THAT** Nexia SAB&T be and is hereby appointed as the Company's independent external auditor until the end of the next annual general meeting, and note that Mr Johandre Engelbrecht will undertake the audit for the financial year ended 31 December 2021 as the individual registered auditor of Nexia SAB&T.”

#### **ORDINARY RESOLUTION 4: REMUNERATION OF THE EXTERNAL AUDITORS**

**“RESOLVED THAT** the board be authorised to determine the remuneration of the independent auditor.”

#### **ORDINARY RESOLUTION 5: RE-APPOINTMENT OF MEMBERS OF THE AUDIT AND RISK COMMITTEE**

Shareholders are required to vote on the election, each by way of a separate vote, of the members of the Audit and Risk Committee of the Company, and therefore shareholders are required to authorise:

Ordinary resolution 5.1 – re-appointment of Andrew Murgatroyd

**“RESOLVE THAT** Andrew Murgatroyd be and is hereby re-elected as member of the Audit and Risk Committee of the Company.”

Ordinary resolution 5.2 – re-appointment of Herman Singh

**“RESOLVE THAT** Herman Singh be and is hereby re-elected as member of the Audit and Risk Committee of the Company.”

Ordinary resolution 5.3 – re-appointment of Johan Nel

**“RESOLVE THAT** Johan Nel be and is hereby re-elected as member of the Audit and Risk Committee of the Company (subject to him being re-elected as director in terms of ordinary resolution number 2.1).”

At the date of this notice, there are no vacancies on the Audit and Risk Committee.

The board has reviewed the proposed composition of the Audit and Risk Committee against the requirements of the Mauritian Companies Act and the necessary regulations and has confirmed that the proposed Audit and Risk Committee will comply with the relevant requirements, and has the necessary knowledge, skills and experience to enable the Audit and Risk Committee to perform its duties in terms of the Mauritian Companies Act. The board recommends the re-election by holders of the directors listed above as members of the Audit and Risk Committee, to hold office until the end of the next annual general meeting.

Brief biographies of the aforementioned directors are included on page 58 of the Integrated Report, distributed with this notice.

The directors consider that the passing of resolutions 1 to 5 is in the best interests of the Company and its shareholders as a whole, and accordingly recommend that you vote in favour of all the resolutions to be proposed at the AGM.

#### **Non-binding advisory votes**

Shareholders are required to consider and vote on the resolutions set out below, in the manner required by the King IV™ Report, as read with the JSE Listings Requirements and therefore shareholders are required to approve:

#### **ORDINARY RESOLUTION 6: SIGNATURE OF DOCUMENTS**

**“RESOLVED THAT** any two directors of the Company are authorised to sign all such documents and do all such things necessary or incidental to the implementation of the resolutions proposed at the AGM.”

#### **ORDINARY RESOLUTION 7: REMUNERATION POLICY OF THE COMPANY**

**“ENDORSE,** on an advisory basis, the Company's remuneration policy (excluding the remuneration of the non-executive directors for their services as directors and members of board committees and the Audit and Risk Committee) as set out on pages 66 to 67 of the Company's Integrated Report for the year ended 31 December 2021.”

## ORDINARY RESOLUTION 8: IMPLEMENTATION REPORT OF THE COMPANY'S REMUNERATION POLICY

"ENDORSE on an advisory basis the implementation report of the Company's remuneration policy as set out on page 67 of the Company's Integrated Report for the year ended 31 December 2021."

### Reason for advisory endorsement

In terms of the King IV™ Report and the JSE Listings Requirements, advisory votes should be obtained from shareholders on the Company's remuneration policy and implementation report of the Company's remuneration policy. The votes allow shareholders to express their views on the remuneration policy adopted and the extent of the implementation of the Company's remuneration policy but is not binding on the Company. Should 25% or more of shareholders vote against the non-binding advisory resolutions, the Company undertakes to engage with shareholders in this regard, in order to ascertain the reasons for the dissenting votes and to share the steps which the Company will take steps to address legitimate and reasonable objections and concerns.

### Key dates and times for the annual general meeting of shareholders:

Key events	Date
Notice of Annual General Meeting distributed to shareholders	Friday, 29 April 2022
Record date to be recorded in the register in order to be entitled to vote at the Annual General Meeting	Friday, 17 June 2022
Last day to lodge forms of proxy for the Annual General Meeting by 12:00 Mauritian Time (10:00 South African time)	Wednesday, 22 June 2022
Annual General Meeting at 12:00 Mauritian Time (10:00 South African time)	Friday, 24 June 2022

Notes to the notice of annual general meeting

## Voting at the annual general meeting

On a poll, every shareholder participating in person or represented by proxy or by letter of representation and entitled to vote shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such shareholder bears to the aggregate amount of the nominal value of all shares issued by the Company.

### Electronic participation

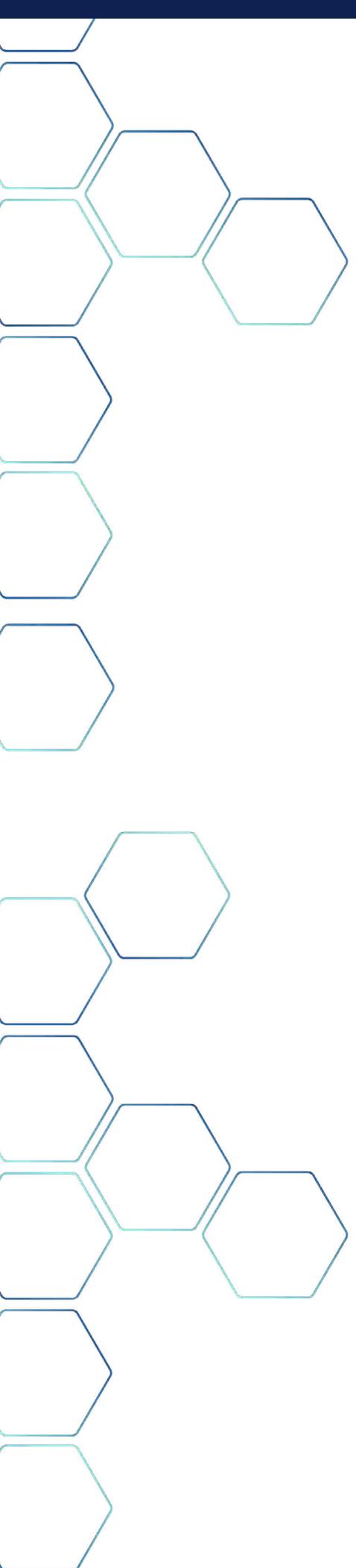
In light of the health-related exigencies and official advice arising from the COVID-19 pandemic, and in accordance with the provisions of the Mauritian Companies Act, the AGM will be conducted entirely through electronic communication. Shareholders who wish to participate in the AGM should connect to the AGM by using the link below and following the relevant prompts:



#### How:

- Type the link into your browser
- Click "join on web instead"
- Click "join now"
- Mute microphone when not talking

As required in terms of Mauritian Companies Act, before any person may attend or participate in the AGM, that person must present reasonably satisfactory identification and the presiding person at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as a proxy for a shareholder, has been reasonably verified.



So as to comply with this verification procedure set out in the Mauritian Companies Act, shareholders wishing to participate electronically in the AGM are required to deliver written notice to the Company by email to [meetfax@jseinvestorservices.co.za](mailto:meetfax@jseinvestorservices.co.za) by no later than 12:00 Mauritian time (10:00 South African time) on Wednesday, 22 June 2022 that they wish to participate via electronic communication at the AGM (the electronic notice). For the electronic participation to be valid, it must contain:

- If the shareholder is an individual, a certified copy of his original identity document and/or passport and/or driver's licence
- If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication
- A valid email address and/or mobile telephone number (the contact email address/number)

Any shareholder or proxy who does not send an electronic communication by 12:00 Mauritian Time (10:00 South African time) on Wednesday, 22 June 2022, may still participate via electronic communication at the AGM and may email that electronic notice at any time prior to the commencement of the AGM but not later than 11:00 Mauritian Time (09:00 South African time) on the date of the AGM. However, for the purpose of effective administration, shareholders and their proxies are strongly urged to send the electronic notice by 12:00 Mauritian Time (10:00 South African time) on Wednesday, 22 June 2022. The electronic communication employed will enable all persons participating in that meeting to communicate concurrently with one another without an intermediary and to participate reasonably effectively in the meeting. Once the meeting has commenced, participants will be able to vote via the voting link to be provided during the meeting.

### **By order of the board**



Navitas Management Services Limited  
Company Secretary  
29 April 2022



### 4Sight Holdings Limited

(Incorporated in the Republic of Mauritius)  
(Registration number: C148335 C1/GBL)  
JSE share code: 4SI ISIN: MU0557S00001  
("4Sight" or "the Company")

## FORM OF PROXY FOR THE ANNUAL GENERAL MEETING

### IMPORTANT INFORMATION REGARDING THE USE OF THIS FORM OF PROXY

Shareholders are advised that the Company has appointed JSE Investor Services (Pty) Ltd as its proxy solicitation agent. If you are a 4Sight shareholder entitled to attend and vote at the annual general meeting (AGM), you can appoint a proxy to attend, participate in, speak and vote in your stead. You must complete and return this form of proxy, in accordance with the instructions contained herein, to JSE Investor Services (Pty) Ltd, to be received by them on or before Friday, 24 June 2022 at 12:00 Mauritian Time (10:00 South African time) or alternatively the form of proxy can be handed in before the relevant resolution on which the proxy is to vote, is considered at the AGM.

If you are a 4Sight shareholder and have dematerialised your share certificate through a CSDP (and have not selected "own name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy but instruct your CSDP to issue you with the necessary letter of representation to attend the AGM, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with them.

In light of the Code of Practice: Managing Exposure to SARS-COV-2 in the workplace dated 15 March 2022 as promulgated by the Minister of Employment and Labour, the board has resolved that the AGM should be a virtual meeting. It is accordingly requested that the form of proxy/ies be forwarded so as to reach JSE Investor Services (Pty) Ltd in South Africa by no later than 12:00 Mauritian time (10:00 South African time) on Wednesday, 22 June 2022, so as to assist the Company to timeously verify the identity of shareholders and their proxies who wish to participate by electronic communication at the AGM.

## TO BE COMPLETED ONLY BY CERTIFICATED AND OWN-NAME SHAREHOLDERS OF THE COMPANY

I/We (Full name in block letters) \_\_\_\_\_ of (address in block letters) \_\_\_\_\_ being the holder(s) of \_\_\_\_\_ ordinary shares s in the issued share capital of the Company hereby appoint:

1. \_\_\_\_\_ or failing him/her;
2. \_\_\_\_\_ or failing him/her;
3. the Chairperson of the meeting

as my/our proxy, to attend, speak on my/our behalf at the AGM to be held electronically on Friday, 24 June 2022 at 12:00 Mauritian Time (10:00 South African time) and at any adjournment thereof, and to vote or abstain from voting on my/our behalf on the resolutions to be proposed at such meeting, with or without modification, as follows.

Insert an "X" or the number of voting rights held in the Company (see note 2)

Voting Instructions		Number of votes (one vote per ordinary share)		
		In favour of	Against	Abstained
Special resolution number 1	Approval of non-executive directors' emoluments			
Special resolution number 2	General authority to repurchase shares			
Special resolution number 3	General authority for financial assistance			
Ordinary resolution 1	Adoption of annual financial statements for the year ended 31 December 2021			
Ordinary resolution 2.1	Re-election of Johan Nel as director			
Ordinary resolution 2.2	Re-election of Marichen Mortimer as director			
Ordinary resolution 2.3	Re-election of Christopher Crowe as director			
Ordinary resolution 3	Re-appointment Nexia SAB&T as external auditors for the year ending 31 December 2022			
Ordinary resolution 4	Authorisation to board to determine the remuneration of the external auditors			
Ordinary resolution 5.1	Re-appointment of Andrew Murgatroyd to the Audit and Risk Committee			

Ordinary resolution 5.2	Re-appointment of Herman Singh to the Audit and Risk Committee			
Ordinary resolution 5.3	Re-appointment of Johan Nel to the Audit and Risk Committee			
Ordinary resolution 6	Directors' authority to implement special and ordinary resolutions			
Ordinary resolution 7 (non-advisory vote)	Endorsement of remuneration policy			
Ordinary resolution 8 (non-advisory vote)	Endorsement of remuneration implementation report			

## A proxy may not delegate his/her authority to act on his/her behalf to another person.

*\*1 Insert number of securities in respect of which you are entitled to exercise voting rights.*

My/our proxy/ies may (subject to any restriction set out herein) / may not delegate the proxies authority to act on behalf of me/us to another person (delete as appropriate). This Form of Proxy will lapse and cease to be of force and effect immediately after the AGM of the Company or any adjournment(s) thereof, unless it is revoked earlier.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2022

\_\_\_\_\_  
(Full name in block letters)

Signature \_\_\_\_\_

### To be lodged with:

JSE Investor Services (Pty) Ltd  
13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2000, South Africa

### Shareholder hotline:

For assistance with AGM queries and forms of proxy:  
Email meetfax@jseinvestorservices.co.za

## NOTES:

1. Each holder entitled to attend and vote at the meeting is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, participate in, speak and vote or abstain from voting in the place of that holder at the meeting.
2. A holder may insert the name of a proxy, or alternative proxies of the holder's choice in the space provided, with or without deleting the words "the Chairperson of the meeting". Any such deletion must be initialled by the holder. The person whose name appears first on this Form of Proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
3. A holder's instructions to the proxy must be indicated by the insertion of an "X" or the insertion of the relevant percentage of voting rights exercisable by that holder in the appropriate space provided. If you fail to comply with the above, you would be deemed to have authorised the proxy to vote or abstain from voting at the meeting, as he deems fit, in respect of all the holder's voting rights exercisable thereat, but where the proxy is the Chairperson, failure to comply will be deemed to authorise the proxy to vote in favour of the resolution.
4. A holder or his proxy is not obliged to use all the voting rights exercisable by the holder or by his proxy, but the total of the voting rights cast and in respect whereof abstention is recorded, may not exceed the total of the voting rights exercisable by the holder or by his proxy.
5. A holder's authorisation to the proxy, including the Chairperson of the meeting, to vote on his or her behalf, shall be deemed to include the authority to vote on procedural matters at the meeting.
6. The completion and lodging of this Form of Proxy will not preclude the holder from attending, participating in, and voting electronically at the meeting to the exclusion of any proxy appointed in terms hereof, should such holder wish to do so.
7. In case of joint holders, the vote of the most senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, for which purpose seniority will be determined by the order in which the names appear on the Company's register of shareholders in respect of the joint holding.
8. Proxy appointments must be in writing, dated and signed by the holder. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this Form of Proxy. Without limiting the generality hereof, the Company will accept a valid identity document, a valid driver's license or a valid passport as satisfactory identification.
9. Any alteration or correction to this Form of Proxy must be initialled by the signatory/ies.
10. A holder may revoke the proxy appointment by cancelling it in writing and delivering a copy of the revocation instrument to the proxy/ies and to the Company, to be received before the proxy exercises any rights of the holder at the AGM on Friday, 24 June 2022 at 12:00 Mauritian Time (10:00 South African time) or adjournment thereof.
11. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's/proxies' authority to act on behalf of the shareholder as of the later of (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument was delivered as required in note 10 above.
12. Please note that the reason why holders are asked to send in their Form of Proxy before the meeting is because the scrutineers must consider each proxy to determine whether it is validly given and whether the voting rights have been correctly inserted. Significant delays could be caused at the AGM if these checks have to be carried out by the scrutineers while the AGM is in progress.
13. Forms of Proxy must be dated and signed and submitted to a representative of JSE Investor Services (Pty) Ltd by no later than 12:00 Mauritian time (10:00 South African time) on Wednesday, 22 June 2022, or may be presented to a representative of JSE Investor Services (Pty) Ltd either by way of post, email or hand delivery to meetfax@jseinvestorservices.co.za or to 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2000, South Africa (as the case may be). If not so received by 12:00 Mauritian time (10:00 South African time) on Wednesday, 22 June 2022, by emailing it to the JSE Investor Services (Pty) Ltd at meetfax@jseinvestorservices.co.za at any time before the commencement of the AGM but not later than 11:00 Mauritian time (09:00 South African time) on the day of the AGM.

# COMPANY INFORMATION



<b>Country of incorporation and domicile</b>	Mauritius
<b>Nature of business and principal activities</b>	As a multi-national, diversified technology group, our purpose is to leverage our portfolio of 4IR technologies, people and data-focused solutions.
<b>Directors (Executive)</b>	<ul style="list-style-type: none"><li>• Tertius Emil Zitzke (Chief Executive Officer)</li><li>• Eric van der Merwe (Financial Director)</li></ul>
<b>Directors (Non-Executive)</b>	<ul style="list-style-type: none"><li>• Kamil Patel (Chairperson)</li><li>• Andrew Murgatroyd (Audit and Risk Committee Chairperson)</li><li>• Christopher Crowe (Remuneration and Nominations Committee Chairperson)</li><li>• Marichen Mortimer (Social and Ethics Committee Chairperson)</li><li>• Herman Singh</li><li>• Johan Nel</li><li>• Dr Sidharth Sharma</li></ul>
<b>Registered office and business address</b>	Navitas House, Robinson Lane, Floreal, Mauritius
<b>Postal address:</b>	Navitas House, Robinson Lane, Floreal, Mauritius
<b>Telephone</b>	+230 607 7277
<b>Registration</b>	C148335 C1/GBL
<b>Share code</b>	4SI ISIN: MU0557S00001
<b>E-mail</b>	info@4sight.cloud
<b>Website</b>	www.4sight.cloud
<b>Company Secretary</b>	Navitas Management Services Limited Physical address: Navitas House, Robinson Lane, Floreal, Mauritius Email address: jjowaheer@navitascorporate.com Telephone: +230 607 7277
<b>Transfer Secretary</b>	JSE Investor Services (Pty) Ltd Physical address: 19 Ameshoff Street, 13th Floor Braamfontein, Gauteng, 2000, South Africa Postal address: P O Box 4844, Johannesburg, 2000, South Africa Telephone: +27 11 713 0800
<b>Reporting accountants and auditor</b>	Nexia SAB&T Physical address: 119 Witch-Hazel Avenue, Highveld Technopark, Centurion, 0157, South Africa Postal address : P.O. Box 10512, Centurion, 0046, South Africa
<b>Bankers</b>	AfrAsia Bank Mauritius Physical address: Bowen Square 10, Dr Ferriere Street, Port Louis Mauritius
<b>Legal Council</b>	WWB Botha Attorneys Physical address 446 Cameron Street Brooklyn, Pretoria Gauteng, South Africa
<b>Designated Adviser</b>	Java Capital Trustees and Sponsors (Pty) Ltd Physical address: 2nd Floor, 6A Sandown Valley Crescent, Sandton, 2196 Email: sponsor@javacapital.co.za Telephone: +27 11 722 3050

